

The complaint

Mr W complains about how his chargeback dispute and subsequent complaint about this matter was handled by Bank of Scotland plc trading as Halifax.

What happened

On 28 February 2025, Mr W used his Halifax debit card to make a payment of £196 towards a holiday let. On 7 June 2025, Mr W attempted to raise a chargeback dispute for this payment through Halifax as he said the services were not as described.

Mr W says he was told to raise the dispute through the live chat system, however he faced difficulty doing this and the chat was ended without Halifax having provided Mr W with a response. Mr W says he received incorrect information via the chat service the next day and so he contacted Halifax by telephone.

During this telephone call, Mr W raised the chargeback dispute and logged a complaint about the service he had received over the chat system. Halifax offered Mr W £50 for the distress and inconvenience caused and he was issued with a summary resolution communication (SRC) on 9 June 2025. Mr W accepted this resolution at the time.

Mr W said he was expecting a bank transfer of the compensation amount and as he did not receive this, he contacted Halifax again on 11 June 2025. He made various phone calls, but it does not appear that anything was done to resolve matters for him. Mr W contacted Halifax again on 4 August 2025 and at this time, his complaint was re-opened. Halifax issued a final response letter (FRL) on 9 September 2025. By this time, Mr W had already brought his complaint to our service.

The FRL indicated that as Halifax had a backlog it had been unable to review his concerns sooner. A cheque for £50 had been issued following the previous SRC but as Mr W had not utilised this, it was cancelled and Mr W was provided with an apology and £130 (total) for the service he had received.

Mr W maintained that he would like our service to look into his concerns. He said he wanted an explanation as to why he had experienced issues on the live chat, an explanation as to why the complaint process had not been followed, and for his compensation to be increased due to the additional distress and inconvenience caused to him. Mr W's chargeback dispute had been successfully resolved in his favour, so he did not need this matter considered unless the lack of a detailed explanation when the dispute was closed was a further example of Halifax's poor communication.

Our investigator looked into matters and said she thought Halifax had treated Mr W fairly in relation to the chargeback dispute and how it was handled. Our investigator agreed that the service Mr W received from Halifax fell short of the level expected, but she found that the amount of compensation offered by Halifax was enough to fairly compensate for the errors made.

Mr W asked for an ombudsman to consider his complaint. He said that he had initially

accepted the £50 compensation offered and had the FRL been issued within the expected timeframes he would have also accepted the further £80 offered. As it stands however, he has been offered no explanations, been offered no assurance that the issues which led to this have been resolved, nor has he been adequately compensated for the issues he experienced, and the time spent in attempting to have his complaint resolved. Mr W felt our investigator had focused too much on the outcome of the chargeback rather than the service issues he experienced. So, the complaint has now been passed to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I would like to start by saying that I have provided a brief summary of the events that occurred. I intend no discourtesy by this and can assure both parties that I have taken all the information provided into consideration when reaching a decision on this complaint.

In this decision, I'll concentrate my comments on what I think is relevant. If I don't comment on a specific point, it's not because I've failed to consider it, but because I don't think I need to comment in order to reach a fair and reasonable outcome. Our rules allow me to do this, and this reflects the nature of our service as a free and informal alternative to the courts.

Chargeback

In this particular case, I appreciate that Mr W does not require us to look at how the chargeback dispute was handled in any depth except for two main issues. The first is the difficulty Mr W experienced in logging a chargeback dispute using the live chat system on 7 June 2025. The second is the communication Mr W received informing him about the outcome of the dispute. So, I will only comment on these two matters.

Mr W says that over two days he experienced the chat being closed without him having received responses, and he received incorrect information which resulted in him having to raise the dispute over the telephone. Halifax has offered us no explanation as to why the chat was closed without action having been taken or appropriate responses being sent. It has explained however that due to a separate chargeback dispute having been raised about a credit card dispute, there was some confusion and this is why Mr W received information about a credit card dispute when he was raising a debit card dispute.

Although I appreciate Mr W's want of an explanation, there is sufficient information for me to see that the service Mr W received over the chat service could have been better and would have caused him frustration. I do not require an in-depth explanation from Halifax about what went wrong, nor do I intend to tell Halifax how it should perform its business. I do think however that for the frustration and inconvenience caused to him here, the £50 originally offered to him was adequate to apologise. I have taken into account that by the second day, Mr W was able to raise his dispute successfully over the telephone.

Mr W is also unhappy with the communication received after the dispute was resolved in his favour. I can see he received a brief note stating the refund was now permanent and the dispute was closed. I do not find this communication to be inadequate to inform Mr W about the status of his dispute. The message implied that the dispute had been successful and if he required further information, he was able to request this. However, the pertinent information that Mr W needed to know was that his refund was now permanent and the dispute was no longer active, and that information was delivered.

Customer service

As far as I can see, on 9 June 2025, Halifax issued an SRC and Mr W was told he would be sent a cheque for £50. It is not clear why Halifax decided to issue a cheque and clearly this method was not acceptable for Mr W as he did not utilise the cheque.

Mr W called again to raise concerns about not having received the compensation on 11 June 2025 and at this time, either the compensation should have been paid directly into his bank account, or his complaint should have been re-opened. I can't see that either of these things happened.

In fact, no action took place until Mr W initiated contact again on 4 August 2025. I can see that on this occasion; the complaint was re-opened. The cheque previously issued was cancelled and an FRL was issued on 9 September 2025 in which a further £80 was offered to Mr W in apology. This brought the total compensation to £130. The FRL was not issued within the timelines required considering action should have been taken from the time Mr W first raised concerns about how his complaint was being handled on 11 June 2025.

I understand and appreciate Mr W would like an explanation as to why his complaint was not dealt with within the timescales outlined by the regulator. Halifax has said it was dealing with a backlog and this caused delays. Again, I will not be telling Halifax how it should conduct its business. However, I am able to review the distress and inconvenience it has put Mr W through on this occasion.

Having considered the timeline of events and the repeated contact Mr W has had to have with Halifax; I find the £130 already offered to be a fair resolution. I understand Mr W feels this should be more. I assure him that I have taken everything he has been through into account and find this amount to be fair and reasonable to apologise for the issues he experienced. I therefore do not find that Halifax needs to do anything further to put things right for Mr W.

My final decision

My final decision is that I find the resolution already offered to Mr W by Bank of Scotland plc trading as Halifax in its final response letter to be fair and reasonable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 20 March 2026.

Vanisha Patel
Ombudsman