

The complaint

Mr G complains that Bank of Scotland plc trading as Halifax hasn't refunded a payment he made.

What happened

In January 2025, Mr G purchased a bike from an online marketplace. He said he had issues with the bike from the outset as various parts failed and required replacing. He says he was involved in an accident while riding the bike and contacted the seller to complain because he said the way the bike had been manufactured had caused the accident. The seller wasn't prepared to provide a refund as it said there was nothing wrong with the bike when it was sold. Further, it said Mr G had modified the bike and that he had crashed it.

Mr G contacted Halifax in May 2025 and asked it to help him obtain a refund for the bike. Halifax raised a chargeback claim through the relevant card scheme and provided Mr G with a temporary refund while the claim was being processed. However, the online marketplace defended the chargeback claim on the basis that there was no defect with the bike when it was supplied to Mr G. Halifax reversed the temporary refund on Mr G's account and closed his claim as it decided there was no reasonable prospect of success in pursuing a chargeback further.

Mr G complained about Halifax's decision not to refund him, but Halifax didn't agree it had acted unfairly.

Our investigator didn't recommend the complaint be upheld. He didn't consider Halifax had acted unfairly in the way it had administered the chargeback or the way it had tried to assist Mr G to obtain a refund.

Mr G didn't agree. He provided a substantive response which included copies of correspondence he had with the seller as well as evidence he said supported his view that the bike was defective when it was supplied. He said that it was not road legal in the UK and therefore should not have been sold to him.

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.

Mr G has provided hundreds of pages of further information and comments in support of his claim for a refund. I'm aware I've only very briefly summarised what I consider to be the key issue to the complaint. No discourtesy is meant by this, it simply reflects the informal nature of this service in settling complaints. I want to assure Mr G that I've carefully reviewed everything he's said and provided. If I don't comment or refer to a specific point or piece of evidence he has provided, it isn't that I haven't considered it, it simply means I don't think it makes any material difference to what I consider to be a fair and reasonable outcome in the overall circumstances of this complaint.

I note Mr G has made references to various sections of different legislation which he feels are important considerations. However, I don't think any of these are relevant to the crux of the matter here which can be quite simply summarised as a dispute about whether Halifax acted fairly in assisting Mr G with his request for a refund for a purchase he made. This is the substance of the complaint Mr G made to Halifax and to which Halifax provided a final response letter and what Mr G then referred to this service. The various legislations Mr G has referred to, do not in my view, make any material difference to whether I think Halifax acted fairly and reasonably in relation to the complaint I've been asked to consider.

Mr G is also unhappy about the way Halifax has dealt with him as a customer and managed his current account more generally. However, those issues don't form part of the complaint I'm considering here. This is because they did not form part of the complaint to which Halifax issued a final response and Mr G then referred to this service. He may wish to raise a new complaint about those issues with Halifax if he remains unhappy about how he has been treated in relation to those concerns.

Halifax did not sell Mr G the bike, nor did Mr G pay for the bike using any credit provided by Halifax (only his own funds from his current account). Therefore, Halifax didn't have any specific liability towards Mr G for the quality of the bike the seller provided him with. Its role was limited to providing appropriate assistance to him in seeking a refund. In this case, I consider all it could have reasonably done was explored the possibility of raising a claim through the chargeback process.

A chargeback is a way in which payment settlement disputes are resolved between card issuers (such as Halifax) and merchants (such as the online marketplace). The chargeback process is operated by the relevant card scheme. In certain situations, such as where goods aren't as described or are defective, the scheme provides a way for Halifax to ask for a refund of a payment Mr G made. However, there are strict criteria that apply to any chargeback request and if these aren't adhered to, the chargeback will fail.

Halifax isn't obliged to process a chargeback, but I would consider it good practice for it to do so where the right exists and where there was a reasonable prospect of success. Halifax did attempt a chargeback initially, so I think it acted fairly in trying to assist Mr G.

A chargeback isn't guaranteed to succeed. The merchant can defend a chargeback, which is what happened in this case. And, while further representations could have been made to challenge the defence, I'd only expect Halifax to do this if there was a reasonable prospect of success. Halifax says that it didn't think there was any reasonable prospect of success, so it declined to take the chargeback further.

Having reviewed the defence to the chargeback claim by the online marketplace, I'm satisfied that Halifax's decision not to pursue the chargeback further was fair and reasonable. The online marketplace said that Mr G had not attempted to return the bike which was a requirement for a successful chargeback claim. Further, it said that the seller had stated the bike was brand new and working when it was delivered and that Mr G had admitted to crashing it shortly after delivery. Further, the seller said Mr G had modified the bike by adding different components to it.

I think based on these representations and what Mr G had provided to Halifax, there was likely to be no reasonable prospect of success for the chargeback claim had it been taken further. I think it would have been difficult to demonstrate that the bike was defective before any crash occurred and I note Mr G didn't supply Halifax with anything that I think would have sufficiently and persuasively demonstrated that to be the case.

Mr G says that the bike was sold to him as road legal in the UK but that this was not true.

However, from what I've seen, he doesn't appear to have supplied persuasive evidence of this to Halifax at the time it was carrying out the chargeback. Overall, I'm satisfied that Halifax acted fairly and reasonably towards Mr G in the way it tried to assist him with his request for a refund. It initiated a chargeback claim for him, but I'm satisfied that it was reasonable for Halifax not to have taken it further following the defence received from the online marketplace. This is because I don't think there was any reasonable prospect of success.

Lastly, Mr G says Halifax acted unfairly when it removed the temporary refund from his current account. However, the refund Halifax had applied was temporary and not guaranteed as it depended on the outcome of the chargeback claim. As the chargeback was unsuccessful, I don't think it was unreasonable that Halifax reversed the temporary refund. Halifax says it informed Mr G in writing by e-mail over a week in advance of the reversal taking place so I'm satisfied it gave him sufficient notice of what would be happening. I don't therefore think it needs to do anything further to put things right.

My final decision

For the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 9 February 2026.

Tero Hiltunen
Ombudsman