

## **The complaint**

Mr M complains that Bank of Scotland plc (BoS) failed to pursue his chargeback request and delayed responding to his complaint.

## **What happened**

Mr M used his brother's gambling account and placed funds from his BoS account into it. He had a win which was due to pay out some £5,400, but the bookmaker found out he had used another person's account and refused to pay out. The bookmaker explained that its terms and conditions do not allow third party funding and it returned the money he had deposited and closed his brother's account.

Mr M contacted BoS and it was slow to respond, but it said it was unable to assist him. However, it paid Mr M £40 for the delay in dealing with his request. Mr M was dissatisfied with this and brought his complaint to this service where it was considered by one of our investigators who didn't recommend it be upheld. She explained that the only route by which the bank could recover Mr M's money was by making a chargeback, but the rules applied by Visa did not allow for a claim in his circumstances. She noted that complaints handling was not something we could consider in most cases, but she thought the sum offered by BoS was fair.

Mr M didn't agree and said the bookmaker had not paid out on a technicality and he felt the outcome was unfair. He said his mental health had been affected and he asked for more compensation.

## **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.

When the evidence is incomplete, inconclusive or contradictory as some of it is here – I've reached my outcome on the balance of probabilities – that is, what I consider likely to have happened given the available evidence and the wider circumstances.

I want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I also want to assure Mr M that I've reviewed everything on file. If I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

The only means by which the bank could recover Mr M's money was by making a chargeback. This is a voluntary scheme run by the card scheme operator (here it's Visa) to process settlement disputes between the card issuer (such as BoS) – on behalf of the cardholder (Mr M) – and the merchant (here it's the bookmaker). It is not a legal right that the cardholder has.

Visa sets the chargeback rules and time limits for transactions made using the Visa card

scheme. And it is Visa that decides whether a chargeback is successful – the card issuer simply makes a request on the cardholder’s behalf. If the card issuer knows it is out of time, or is unlikely to succeed, I wouldn’t necessarily expect it to raise a chargeback.

Visa operates within a set of rules and one of these states: a chargeback is invalid where “the cardholder is unable to access winnings, make a withdrawal, or transfer request.” Quite simply that means it will not accept chargeback claims for winnings not being paid out. BoS has no say in the rules operated by Visa so it had no basis for making a chargeback claim. It has done nothing wrong in reaching that decision.

The only matter for which BoS has any responsibility is the delay in dealing with Mr M’s complaint. I gather it took 11 weeks to respond and it has paid him £40 compensation which I consider to be reasonable. This compensation is not for Mr M not getting his money back. It is only for the slight delay in dealing with his complaint.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr M to accept or reject my decision before 18 February 2026.

Ivor Graham  
**Ombudsman**