

The complaint

Mr S complains that Bank of Scotland plc trading as Halifax rejected his claim for cashback under its Green Living Reward scheme.

What happened

Mr S has a mortgage with Halifax. In or around late February 2025, Mr S had two air-conditioning units installed in his home. These units have cooling and heating functions.

In July 2025, around five months later, Mr S made a cashback claim to Halifax under its Green Living Reward scheme. Eligible Halifax mortgage customers could claim cashback of up to £2,000 for making certain eligible energy saving home improvements such as an air source heat pump.

Halifax rejected Mr S's cashback claim because it said the invoice Mr S provided was for the installation of air conditioning. Mr S complained because he feels the units he installed are eligible for Halifax's scheme, as they are a type of air source heat pump.

In its response to Mr S's complaint, Halifax said the units Mr S had installed are air conditioners that use heat pump technology, rather than a heat pump system designed to replace a gas boiler. It said that Mr S's claim doesn't meet the eligibility criteria for its Green Living Reward cashback scheme.

Mr S referred his complaint to the Financial Ombudsman Service. Our Investigator didn't think his complaint should be upheld.

Mr S disagreed with that. He raised several points about what constitutes an air source heat pump and that he uses the installed units to provide his primary heating. He says that Halifax issued press releases alongside the information on its website about its Green Living Reward cashback scheme and that, taken together, they created a reasonable expectation that his air source heat pump installation qualified. He feels it's unfair to impose undisclosed technical distinctions after the event. Had he known that the units he chose wouldn't be eligible, he would have either not gone ahead or would have chosen a different heat pump configuration. He relied on Halifax's Green Living Reward information before proceeding.

Because a resolution couldn't be reached, the complaint has come 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.

The starting point here is that there's no contractual requirement in Mr S's mortgage agreement, that requires Halifax to pay cashback under the Green Living Reward scheme. The scheme is simply a perk of having a mortgage with Halifax and not something it is required to offer. And it is for Halifax to decide what is, or isn't, an eligible home improvement under the scheme.

I appreciate Mr S feels very strongly about what's happened and that the air-conditioning units he had installed should be eligible, because they are a type of air source heat pump. However, whether they're eligible for the scheme or not is something for Halifax to decide – and its decision is that they are not. Because of this, I don't consider it would be helpful to discuss further what type of heat pump the installed units may or may not be. They are simply not eligible for Halifax's Green Living Reward scheme as that's a decision it is entitled to make. So, I'll move on to considering Mr S's concerns about the quality of Halifax's literature about its scheme and his view that it should provide a clear exclusion for air-to-air heat pumps.

Looking at extracts of Halifax's Green Living Reward website and other information provided to us by Mr S, I can see the scheme is designed to help its customers make their homes more energy efficient. And, under the section "All eligible improvements" and the category of "Heating" it includes "Air source heat pump". In other extracts of Halifax's website that Mr S has provided, I can see it gives more information about heat pumps. Here it mentions the cost of installing a heat pump varies for several reasons including whether radiators need upgrading. It also refers to government grants of £7,500 towards heat pump installations being available. And that larger homes or more complex installations may cost more. Mr S argues that this information shows the type of heat pump he went on to install qualified for the scheme. But I take a different view and I'll explain why.

The category on the "All eligible improvements" extract Mr S has provided is clearly labelled as "Heating" which I take to mean an air source heat pump that provides heating – not one that provides cooling (either solely or alongside heating). There is no mention on Halifax's website that it would provide cashback for a type of air source heat pump other than one that provides heating. Much of Halifax's literature also refers to making homes warmer, with no mention of making them cooler. And it also implies that the cost of installing a heat pump would be much more than the cash back it was offering and that a heat pump would require use of radiators, some of which might need to be replaced. This is at odds with the system Mr S installed which provides cooling and heating, and which cost less than £2,000.

Even if I were to agree with Mr S that Halifax's literature could have been clearer, then at the very least I think the information available to Mr S raises questions about whether his specific type of heat pump would qualify. I think a reasonable person would have sought to find that out before the installation, if they were relying on the cashback offer to do it.

Mr S has said he did rely on the information Halifax had provided about its scheme when deciding to proceed with installing his air-conditioning units. And that if it had told him that only boiler replacement heat pumps were eligible, he would have made a different decision – either choosing a different heat pump solution or by not proceeding. But I find this unlikely, not only for the reasons above, but because Mr S installed the air-conditioning units five months before he made a claim to Halifax. If his decision to install them was reliant on Halifax's scheme as he has said it was, then I would expect him to have made a claim much sooner than he did. I think it's more likely than not that Mr S saw the information about the Green Living Reward after his installation. Or that, at least, the installation wasn't reliant on him obtaining cashback and that it's something he would have done either way.

In all the circumstances, while I appreciate Mr S will be disappointed with this outcome, I find that I can't fairly uphold this complaint for the reasons I've given above.

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 S to accept or

reject my decision before 23 March 2026.

Keith Barnes
Ombudsman