

## **The complaint**

Mrs L complains about how Bank of Scotland plc ("Halifax") dealt with a payment dispute ("dispute") she raised with it.

## **What happened**

On 13 March 2023 Mrs L's current account ("account") was debited with £138.37 in favour of a third party I will call "V".

On 6 April Mrs L's account was debited with £1,043.15 in favour of a third party that I will call "E" (\$1,747.00 @ 1.67474) and £31.69 in fees.

On 24 April Mrs L's account was debited with £1,043.83 in favour of E (\$1,747.00 @ 1.67364) and £31.71 in fees.

Following the 24 April debit to her account Mrs L contacted Halifax to dispute it.

On 27 April Halifax credited Mrs L's account with £1,043.83 and £31.71 whilst it investigated her dispute.

On 12 May Halifax sent Mrs L an email asking for further information about her dispute. Mrs L says this email was never received by her.

On 6 June and having received no response to its email dated 12 May Halifax debited Mrs L's account with £1,043.83. Halifax didn't debit Mrs L's account with £31.71 in fees.

On 27 June Mrs L asked Halifax for her dispute to be investigated again.

On 3 July E refunded to Mrs L's account £1,040.43 (\$1,747.00 @ 1.67911).

On 25 July, and after Mrs L had raised a compliant, Halifax issued her with a final response letter ("FRL"). Under cover of this FRL Halifax said it was prepared to pay Mrs L £35.00 in resolution of her complaint.

On 3 August Mrs L contacted Halifax to say that she wasn't satisfied with its offer of £35.00 in resolution of her complaint. However, Halifax said it wasn't prepared to offer/pay her anything further and as outlined in its FRL the next step was for Mrs L to refer her complaint to our service for investigation.

On 17 September Mrs L referred her complaint to our service.

Mrs L's complaint was considered by one of our investigators who came to the view that having offered/paid Mrs L £35.00 Halifax need do nothing further.

Mrs L disagreed with the investigator's view so her complaint has been passed to me for review and decision.

## **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'm very aware that I've summarised this complaint above in far less detail than it may merit. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I will, however, refer to those crucial aspects which impact my decision.

Secondly, I would add that where the information I've got is incomplete, unclear or contradictory I've to base my decision on the balance of probabilities. And although I need to have regard to the law I'm not bound by it, and I can come to a different outcome to what a court might come to.

Mrs L says that Halifax should never have paid E the sum of \$1,747.00 on 24 April, or it should have at least contacted her for authority to pay it before doing so.

Now I appreciate Mrs L feels very strongly about this particular point but I'm satisfied that Halifax paid the sum that it did to E on 24 April in good faith and in the belief Mrs L had authorised the payment of it.

I will now turn to how Halifax dealt with Mrs L's dispute when, and after, she raised it.

First I would like to point out that regardless of whether Mrs L believed E's request on 24 April for payment of \$1,747.00 was fraudulent (rather than a simple mistake or oversight) and regardless of her view on how her dispute should have been recorded and treated by Halifax, I'm satisfied that Halifax treated her dispute seriously and appropriately. I would also add that it's immaterial how Halifax recorded Mrs L's dispute in its records and what it might have done about it had E not made the refund that it did on 3 July.

Mrs L raised her dispute with Halifax on, or shortly after, 24 April. On 27 April Halifax issued Mrs L with a 'temporary' refund and then, on 12 May, sent her an email asking for further information. I appreciate Mrs L might not agree, but I'm not persuaded that Halifax did anything wrong here. I would also add, for the sake of completeness, that although I don't dispute that Mrs L never received Halifax's email dated 12 May I'm satisfied, on the balance of probabilities, that this was sent by Halifax and sent to an email provided by Mrs L for such messages to be sent to.

On 6 June and having received no response to its email dated 12 May Halifax debited Mrs L's account with £1,043.83. I think this was an entirely fair and reasonable thing for it to do.

On 27 June Mrs L asked Halifax for her dispute to be investigated again, something I'm satisfied Halifax was prepared to do and would have gone on to do had E not refunded to Mrs L's account £1,040.43 (\$1,747.00 @ 1.67911) on 3 July. And because E refunded to Mrs L's account £1,040.43 (\$1,747.00 @ 1.67911) on 3 July I'm not persuaded that Halifax did anything wrong in taking the decision to not investigate Mrs L's dispute, after 3 July, any further. For the sake of completeness, I would add that I'm not persuaded that Halifax did anything wrong in not progressing Mrs L's dispute between 27 June and 3 July given that this period covers just a few working days.

I appreciate Mrs L might have incurred costs in pursuing matters directly with E, but what I'm required to consider, and make a finding on, is Halifax's handling of her dispute. And given what I say above I'm satisfied that Halifax's handling of Mrs L's dispute was both fair and reasonable.

I appreciate Mrs L will be disappointed, but for the reasons I've given I'm satisfied that Halifax need do nothing further than pay Mrs L £35.00 (as offered under cover of its FRL) where this sum hasn't already been paid to her. And for the avoidance of doubt I'm satisfied that that this payment is sufficient to cover the £3.40 difference between the original debit of £1,043.83 and the later refund of £1,040.43 and any interest Mrs L might have lost out on.

### **My final decision**

My final decision is that Bank of Scotland plc, to the extent it hasn't done so already, must pay Mrs L £35.00, but it need do nothing further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 5 January 2024.

Peter Cook  
**Ombudsman**