

The complaint

Miss O complains that Bank of Scotland plc, trading as Halifax, were unreasonable not to continue to pursue a chargeback claim she made to them. She says they made mistakes and were it not for these her claim would have succeeded.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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 know it will disappoint Miss O, but I don't think Halifax have been unreasonable here. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

When something goes wrong and the payment was made with a debit card, as is the case here, it might be possible for the business to raise a chargeback claim.

The chargeback scheme isn't administered by Halifax, it's administered by Visa, and they set the rules. Halifax didn't have to submit a chargeback claim but I'd think it good practice for them to do so where the right exists and there is a prospect of success.

Ultimately, it would be VISA who decided which side to support in a chargeback claim. We don't have authority to challenge how they run their scheme, but I can consider whether Halifax were reasonable in not taking the chargeback to the next stage of arbitration when the merchant defended it.

The merchant provided evidence that Miss O had authorised the payment. An email from her stated:

"...Please proceed with the above as per our phone conversation at £225k".

Miss O hasn't provided any information that I think would have been likely to persuade VISA that she hadn't authorised the payment, as the email would suggest. In those circumstances I don't think Halifax were unreasonable to seek to recover the £7,500 they had refunded to Miss O's account when they initially raised the chargeback for her. There was little prospect

of the claim succeeding if it was taken to arbitration. As Miss O had closed the current account by the time the business sought to recover the funds, I don't think they did anything wrong when they recovered the funds from a savings account Miss O also had with them.

Miss O has raised a number of issues with the processing of the chargeback. She had difficulty, for instance, receiving and reading the correspondence Halifax sent her, and she had difficulty responding. She's also suggested Halifax could have stopped the payment when she initially called them, and that the dispute was closed too early, and not raised under the correct "reason". But given the merchant's response to the claim Miss O had made, I don't think any of those issues would have changed the outcome of the chargeback claim, as the evidence suggested Miss O had authorised the payment.

Ultimately, I'm not persuaded that Halifax have done anything wrong here and while I understand this has been a very upsetting time for Miss O, this is not a complaint I think it would be fair for me to support.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 23 October 2023.

Phillip McMahon
Ombudsman