

The complaint

Mr G complains about how Bank of Scotland plc trading as Halifax (“Halifax”) handled his chargeback claim.

What happened

In February 2022, Mr G purchased items from a supplier I’ll call ‘A’ using his Halifax credit card. He placed two orders for £51.66 and £47.20 and the orders comprised multiple items.

Mr G wasn’t happy with the quality of two items within these orders and so he asked Halifax to raise a chargeback claim for these. The cost of the items was £31.50 and £12.

Halifax raised two chargeback claims but for the full amount of the orders rather than for the amounts Mr G sought to reclaim. They provided a temporary credit for the full amounts and subsequently re-debited this when A defended the chargeback. Halifax then realised they should have raised claims for the amounts of the disputed items and so decided to write-off those amounts meaning that these were effectively re-credited to Mr G’s credit card account.

Mr G complained to Halifax about what had happened, and in particular how they had put through multiple incorrect transactions on his credit card account. Halifax apologised for their error in how they handled the chargeback but said that Mr G hadn’t been financially impacted by this.

Mr G referred the matter to us as he felt that Halifax should pay compensation for the inconvenience he’d been caused. Our investigator didn’t uphold the complaint. So, Mr G’s case has been passed 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.

It’s not disputed that Halifax incorrectly handled Mr G’s chargeback claim by using the full amounts of the orders rather than the cost of the items that were being disputed. The point that remains unresolved is whether it’s fair for Mr G to receive compensation for what happened.

I’ve looked at Mr G’s credit card account statement and can see that, although Halifax put through several transactions, they did so without Mr G suffering any financial impact or loss. I do appreciate that Halifax putting so many different transactions through for different amounts would have been confusing and potentially concerning for Mr G. However, Halifax ensured that Mr G didn’t suffer a financial penalty and acted promptly in trying to correct their errors. So, while I understand why Mr G has asked for compensation, I think Halifax apologising for what happened is sufficient.

Mr G has mentioned to us that Halifax sent their final response letter to an incorrect address. Halifax has told us they’ve investigated this under a separate complaint. I don’t know

whether Halifax has sent their response to Mr G about this. If they have, and Mr G remains unhappy with their response, he can refer the matter to us to see if this is something we can investigate. And he can also do so if Halifax has already had the permitted eight-week timescale to send their response and hasn't yet sent this.

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 23 November 2023.

Daniel Picken
Ombudsman