

The complaint

Mr A has complained Bank of Scotland plc, trading as Halifax, won't refund him for disputed credit card transactions.

What happened

In September 2023, Mr A noted credit card transactions being undertaken overseas and complained to Halifax. Halifax wouldn't refund him as these transactions had been completed using the genuine card and Mr A's PIN. So although they accepted Mr A was probably not overseas, they couldn't easily identify how his card was being used where it was without his knowledge and authorisation.

Mr A brought his complaint to the ombudsman service.

Our investigator similarly felt the evidence showing a genuine card and PIN were used was convincing. She wasn't going to ask Halifax to do anything further.

Mr A continued to dispute this outcome. He pointed out that he was using his own card in his local area which made it impossible for him to have made the disputed transactions. Mr A's complaint has been referred to an ombudsman.

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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Mr A's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves. Other aspects do on occasion apply, but nothing here that specifically applies to Mr A's complaint.

To help me come to a decision, I've reviewed the evidence Halifax provided as well as what Mr A has told us.

I believe this transaction was carried out with Mr A's authorisation. I say this because:

- I've reviewed the history of Mr A's credit card account. Following a fraud claim in 2021, Mr A was issued with a new card ending in 4388. This card was then lost and a

new card, also ending in 4388, was sent to Mr A on 7 August 2023. Following the report of fraud in September 2023, Mr A was given a new card ending in 2559.

- It was this second card ending in 4388 sent to Mr A in August 2023 that was used overseas for the numerous disputed transactions. This card had been used by Mr A for genuine transactions leading up to the disputed transactions. The card details were also added to GooglePay on 11 September 2023 just prior to the disputed transactions taking place.
- The genuine transaction undertaken by Mr A locally at roughly the same time period as the disputed card transactions overseas was contactless. It is possible this was made using GooglePay recently loaded and tested by Mr A.
- Mr A has told us his card was not out of his possession, but I doubt what he's saying here. I'm satisfied the technical evidence showing the card and PIN were used overseas is genuine. And when I note Mr A's loading of his card details to GooglePay, I think it's possible Mr A could have been using his card details but not his genuine card. There's no evidence of simultaneous physical card use overseas and where Mr A lives.
- Mr A has had "*many previous fraud and dispute*" cases with Halifax.
- The disputed card transactions took place in a location overseas that Mr A has personal links with. This seems too odd a coincidence for this to be a random event perpetrated by an unknown fraudster.

I'm not generally happy about deciding a customer made or knew about the transaction just because the genuine card and PIN were used. However in this case, I can see no potential for compromise and the weight of coincidental events suggest to me that Halifax were right in deciding there wasn't sufficient evidence to show fraud had taken place.

Overall I'm satisfied Mr A knew about the use of his credit card overseas and authorised this. I won't be asking Halifax to do anything further.

My final decision

For the reasons given, my final decision is not to uphold Mr A's complaint against Bank of Scotland plc, trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 5 April 2024.

Sandra Quinn
Ombudsman