

The complaint

Mr C complains Bank of Scotland plc trading as Halifax treated him unfairly when he attended branch to withdraw funds.

What happened

The detailed background to this complaint is well known to both sides. So, I'll only provide a brief overview of some of the key events here.

Mr C reported his card as lost to Halifax, who confirmed it would issue him a new one in the post. Mr C didn't receive a new card promptly and needed to access funds from his account. Mr C contacted Halifax about the delays, and it explained he could withdraw funds at a local branch with identification whilst he was waiting for the card.

Mr C attended branch following this call and asked for £3,000 to be withdrawn from his account. A member of staff informed Mr C he could only withdraw £300, and it seems at this point the situation escalated. The branch manager became involved, and it was agreed Mr C could withdraw £1,000. Mr C was asked to leave the branch after he was given the funds as staff members said he was verbally abusive and aggressive.

Mr C contacted Halifax following his branch visit explaining he was unhappy with how he was treated and that he couldn't withdraw the funds he needed. Halifax reviewed Mr C's concerns and informed him that the branch staff had actioned his request reasonably and that it would be closing his account immediately due to his behaviour in branch.

Mr C was dissatisfied with Halifax's response and referred his complaint to our service. An Investigator reviewed Mr C's complaint and found that Halifax had acted reasonably in closing Mr C's account. However, the Investigator found the level of service Mr C received could've been better, and recommended Halifax pay Mr C £75 for the distress and inconvenience caused

I issued my provisional decision on 19 February 2024, and both sides had until 4 March 2024 to make any final comments.

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.

Halifax responded to my provisional decision explaining it accepted my recommendations. Mr C did not respond to the provisional decision. The deadline has now passed, and as no further substantive issues have been raised, my provisional decision remains unchanged. I include my provisional findings below.

Provisional decision

I've considered all the available evidence and arguments to decide what's fair and

reasonable in the circumstances of this complaint.

As a starting point I've considered how Halifax handled Mr C's cash withdrawal request. I can see Mr C had reported his card missing on 4 December 2022, and as he hadn't received it, he contacted Halifax who advised him he could withdraw cash in branch. I understand it must've been very frustrating for Mr C that he hadn't received a new card, especially given it was very close to the festive period. Halifax has provided its internal records and I can see the card was issued to Mr C on 7 December 2022.

At the time Halifax issued Mr C his new card there was widespread disruption to the postal service due to strikes within the industry. Halifax has also confirmed Mr C's new card would've still been delayed if it had been sent to branch as new cards are issued centrally and it would've still relied on the postal service to deliver it to branch. Unfortunately, there were limited options for Mr C, and I can't hold Halifax responsible for the delays Mr C experienced at this stage. During calls in late December 2022 Mr C was advised he could attend branch to withdraw funds. I understand Mr C was working at the time and attending branch was inconvenient, but given the delays with his card, this was the only suitable alternative.

Having listened to the calls Mr C had with Halifax it's clear they were challenging for both Mr C and the call handler. Mr C explained he had reported his card as lost, but he had since found it. Mr C asked if the card could be unblocked and reactivated and was informed this wasn't possible. Mr C was understandably frustrated with this, but as part of safeguarding customer accounts Halifax will have certain measures in place, and the reactivation of a card poses risks, so I can see why this wasn't an option for Mr C. During the same call the Halifax representative explained Mr C reported his card as lost prematurely. I think given Mr C's upset and frustration this additional comment was unnecessary. It's also important to note that customers are under a duty and encouraged to report cards as lost or stolen immediately. Although Mr C later found his card, at the time he acted reasonably and how I would expect a responsible card holder to behave in reporting it has lost.

Mr C attended branch and it's clear from both sides that this was a difficult interaction. Mr C wanted to withdraw £3,000 but was informed he could only withdraw £300 as he didn't have a card. Mr C was understandably frustrated with the situation, and after further discussions the branch manager agreed Mr C could withdraw £1,000. It seems the branch manager would've had the discretion to provide Mr C with the full £3,000 he had requested. Given the proximity to the festive period and the unlikelihood of Mr C receiving his card before this period I do think Halifax should've considered his request more carefully. It's also important to note Mr C had explained he doesn't use online banking or do shopping online, so there was an even greater requirement for Mr C to have access to his funds. So, I think Halifax acted unreasonably when dealing with Mr C's request.

However, this doesn't detract from the events in branch and Mr C's behaviour towards staff. As part of Halifax's review it obtained testimony from staff who have explained their version of events. These accounts refer to Mr C being rude and aggressive towards staff members. It seems Mr C had a number of difficult exchanges with Halifax both in branch and on the phone during the course of his banking relationship with it. Although I can't be certain of how events unfolded during this specific branch visit it seems staff members felt Mr C's behaviour was inappropriate, and Halifax is under a duty to take these concerns seriously.

Halifax reviewed Mr C's account history and made the difficult decision to end its banking relationship with Mr C immediately. The account terms and conditions allow Halifax to do this in specific circumstances, and this includes improper behaviour by an account holder. I appreciate the closure of Mr C's account has caused him inconvenience. However, Halifax has a responsibility to look after and support its staff, and I think its actions here – in

particular its decision to end its banking relationship with Mr C - is reasonable and in keeping with its policy to protect their staff.

Mr C says the way he has been treated by Halifax is discriminatory and because of his race. He has pointed out that he's been a loyal customer of Halifax for many years and says he has always operated his account properly. While I can appreciate Mr C feels this way, it is not the role of the Financial Ombudsman Service to decide whether the business has acted unlawfully or not – that's a matter for the Courts. I'm required to consider a number of factors in order to decide Mr C's complaint in accordance with what I think is fair and reasonable in all the circumstances of this complaint. Part of this has meant considering the provisions of the Equality Act 2010. And after looking at all the evidence, I've not seen anything to suggest that Halifax treated Mr C unfairly or that it closed his account for an improper reason.

Putting things right

The Investigator recommended Bank of Scotland plc trading as Halifax pay Mr C £75 in compensation for the poor service he received during calls and in branch. I don't think this amount adequately reflects the distress and inconvenience caused to Mr C. To put things right I direct right Bank of Scotland plc trading as Halifax to pay Mr C £250 in recognition of its service failings.

My final decision

For the reasons above, I uphold this complaint. Bank of Scotland plc trading as Halifax must now put things rights as directed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 3 April 2024.

Chandni Green
Ombudsman