

The complaint

Mr B complains that Bank of Scotland plc trading as Halifax (“Halifax”) misadvised him that he had to attend a branch to withdraw his funds when it closed his account. This meant that he had to take a day off work needlessly. Mr B wants Halifax to compensate him for this.

What happened

Following a review Halifax advised Mr B that it would be closing his account. Mr B called Halifax and was told by numerous advisers that he could attend one of its branches to transfer his funds to another account.

Mr B says the local branch of Halifax was only open during his working hours, so he was forced to take annual leave to attend the branch. Mr B says he spent over an hour at the branch and wasn’t able to transfer his funds and had to withdraw them in cash. Mr B says this was unnecessary as following this he found that he was able to use telephone banking to transfer a credit received to another account without attending a branch.

Mr B complained to Halifax about the service and advice he received surrounding this. Halifax says that it was an error on its part that Mr B was able to transfer between accounts – he shouldn’t have been able to do this. Halifax apologized for the errors and misinformation on its part and acknowledged that it could do better and paid Mr B £25 compensation.

Mr B was dissatisfied with this and brought his complaint to this service. One of our adjudicators looked into Mr B’s concerns and agreed that the service Mr B received could’ve been better but thought the £25 was fair and reasonable to address the distress and inconvenience caused by Halifax’s errors. They didn’t agree Halifax should compensate Mr B for the days annual leave because Mr B was always going to have to go into branch to access his funds and ultimately it was his choice when to go.

Mr B disagreed, he doesn’t think the compensation is enough. Mr B has asked for an ombudsman’s 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.

It might be helpful for me to say here that, as we are not the regulator, I cannot make the bank change its systems or processes – such as the hours it operates and the services it provides. Ultimately, how a bank runs its business and the processes it has in place are commercial decisions and isn’t something for me to get involved with. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

My role is to look at the problems Mr B has experienced and see if Halifax has done anything wrong or treated Mr B unfairly. If it has, I would seek – if possible - to put Mr B back

in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

Mr B isn't disputing Halifax's decision to close his account. Mr B's complaint is that it mis-advised him regarding the need to attend a branch to withdraw the funds from his account when he found he could transfer funds credited to his account through telebanking.

Halifax has agreed it made some errors – but not in the advice Mr B was given about his need to attend a branch to withdraw the proceeds of his account. This advice was in fact correct and the error was that Mr B shouldn't have been able to carry out this transaction. Halifax has apologised for its errors and for the misinformation Mr B received and compensated him £25.

So what I need to decide is whether this is enough to compensate Mr B for the distress and inconvenience he says he suffered. And I think it is. I appreciate how frustrated Mr B is about all of this. But things don't always go smoothly and our role isn't to penalise or punish a business when a business makes a mistake – rather it is to try and put the consumer back in the position they would've been in if the mistakes had not have happened.

In this case Mr B wants to be compensated for the time he took off work to attend a branch - he says needlessly. But sometimes life requires us to spend time dealing with personal matters – such as the opening and closing of bank accounts. And as our adjudicator has already pointed out – Mr B was always going to have to attend a branch of Halifax to withdraw his funds – there was no mistake here – the mistake was that following this he was able to transfer out of his account over the phone.

So on this basis I think the £25 compensation Halifax has already paid for the distress and inconvenience Mr B experienced is fair, so I'm not going to ask it to do anything else.

My final decision

For the reasons I've explained I've decided that what Bank of Scotland plc has already done to settle Mr B's complaint is a fair and I do not require it to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 2 January 2024.

Caroline Davies
Ombudsman