

The complaint

Mrs M is unhappy Bank of Scotland plc trading as Halifax lost her son's provisional driving licence when she applied to have him as an additional card holder on her credit card account.

What happened

Mrs M says she has a credit card account with Halifax that she's had for many years. In October 2021, Mrs M applied to add her son as an additional card holder on her account. Along with the application form, Mrs M says Halifax asked her to send in the original copy of her son's provisional driving licence and a bank statement in order for the application to be processed. Mrs M says she sent these documents on 24 October 2021 in a prepaid self-addressed envelope which Halifax provided to her. Mrs M has provided us with a copy of a receipt where she paid an additional £1.40 for documents to be signed for upon Halifax receiving them.

Mrs M says she waited some time for her son's provisional driving licence and bank statement to be returned. On 10 November 2021, Mrs M called Halifax to find out when the documents were going to be returned and was told at this point it could take up to 30 days. Mrs M says she made Halifax aware her son was due to have his driving test on 9 December 2021, so he needed his provisional driving licence back in time. A few weeks later, Mrs M didn't receive the documents, so she called Halifax again. Mrs M says she was told the same thing again – that it could take up to 30 days for the provisional driving licence to arrive and that Mrs M should have it back by the time 30 days had passed.

By 1 December 2021, the provisional driving licence hadn't arrived. So, Mrs M went into her local Halifax branch to see if they could help retrieve these documents – Mrs M says she chose to go to the branch as she struggled to get through to anyone when calling Halifax and was repeatedly told the documents would be returned in 30 days. The manager of the branch eventually found out that Mrs M's son's provisional driving licence had been lost. As a result, Mrs M spent a lot of time trying to get a replacement provisional licence sent out, but that this wouldn't have arrived in time for her son's driving test as it couldn't be arranged for faster delivery.

Mrs M says she also spent several hours contacting local driving instructors to see if there was a possibility her son could change his driving test date to allow for more time for his replacement provisional licence to arrive. However, Mrs M says she was told the earliest available test date wasn't until May 2022. Mrs M says her son had to go abroad for voluntary work for two years and was due to fly out in January 2022. As a result, he hasn't been able to take his driving test. Mrs M says had Halifax told her when she first contacted them early November 2021 that they'd lost her son's provisional driving licence, she could've applied for a replacement licence a lot sooner than she did. And so, her son might not have had to miss out on his driving test.

Halifax apologised for losing Mrs M's son's provisional driving license and offered Mrs M £100 compensation for the inconvenience caused to her, £44 for call and travel expenses

plus £89 to cover the cost of the replacement driving licence and the cancelled driving test. In total, this came to £233.

Mrs M didn't accept this as she says her son won't be returning to the UK until two years' time. By this point, he'll need to take his theory driving test again, his practical driving test and more lessons as he wouldn't have driven for two years. So, Mrs M asked for more compensation.

Our Investigator looked into Mrs M's concerns. In summary, she said while there was no record of Mrs M sending her son's driving licence in the prepaid envelope, Halifax confirmed they received the bank statement. So, it's likely his provisional driving licence was sent in the same envelope that included the bank statement and application form. With that in mind, our Investigator assessed the impact Halifax's error had on Mrs M when they lost her son's provisional driving licence. Having looked at what Halifax had already offered Mrs M, our Investigator felt the offer of £44 to cover travel and call costs and also the offer of £89 to cover the cost of the replacement provisional licence and rebooking the driving test was fair. However, our Investigator said that as Mrs M's son wasn't a customer of Halifax's at the time, she wasn't able to consider the impact this error has had on him. So, when considering the distress and inconvenience caused to Mrs M, she felt Halifax should increase their compensation award to £250 from £100. Overall, our Investigator recommended Halifax pay Mrs M a total of £383.

Mrs M disagreed. She said she was caused a lot of inconvenience trying to resolve this issue and that it was frustrating given the tight timescales she was trying to get things sorted for her son. Mrs M said she called Halifax three times and each time was told that it could take up to 30 days before the documents were returned. Mrs M added she was given wrong information initially when she was told to send in an original copy of her son's driving licence – when she called in November 2021, she was told she could have taken her son to a branch with his passport in order to verify his identity. Mrs M also said while our Investigator said she couldn't consider the impact this error had on her son, the effect it had on him was felt very much by Mrs M as his mother. Instead, Mrs M says she feels £600 compensation in total is a more appropriate and acceptable award. So, the complaint 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.

Halifax have acknowledged something went wrong – they've said they never received the provisional licence and that it appears to have been separated from the application form and bank statement by the time it had reached them. As our Investigator suggested, Mrs M used Halifax's prepaid envelope to send the documents and I can see Halifax confirmed receipt of the bank statement which Mrs M says was sent along with her son's provisional driving licence. And I can't see any particular reason why the driving licence may have been separated from the other contents of the envelope before it reached Halifax. Therefore, I think it's more likely than not that Mrs M did send her son's provisional driving licence within the prepaid envelope Halifax provided to her, and I think it's likely Halifax lost it.

Halifax have recognised the service given to Mrs M could have been better – they've acknowledged their internal notes on 2 November 2021 confirmed that they weren't able to add Mrs M's son to the account as photo identification was required. So, they were aware at this point the provisional licence was missing and they acknowledge they ought to have told Mrs M this a lot sooner rather than telling her she should wait 30 days for the documents to be returned on more than one occasion.

Mrs M made several calls to Halifax in order to try and find out when the documents were going to be returned. Mrs M says she was often kept on hold for long periods of time before she eventually got through to anyone who repeatedly told her to wait 30 days for the documents to be returned. When they weren't returned by 1 December 2021, Mrs M visited her local Halifax branch to see if they could help her retrieve the documents. By this point, it had been more than 30 days since Mrs M sent the documents on 25 October 2021. Given what Mrs M had been told previously about waiting for 30 days and as she was trying to sort the matter quickly for her son so he could take his driving test, I can understand why Mrs M chose to visit her local branch rather than call Halifax's helpline again as she felt she wasn't being helped. And I understand why this would have been inconvenient for her.

In terms of putting things right for Mrs M, Halifax offered to pay £89 which included a cost for the replacement provisional driving licence. This is what Mrs M wanted and I think it's likely a loss she would've incurred. I say this because on balance, it's not unreasonable to think that she may have had to reimburse her son for the loss of his provisional licence as a result of her sending off the application. From my research, a replacement provisional driving licence cost £20. So, with that in mind, as Halifax's offer covers the cost of the licence in addition to the cost of the cancelled driving test, I think this part of their offer is fair. Halifax also offered to refund Mrs M £44 to cover call costs and for the travel she made to her local branch to find out where her son's provisional licence was. And I think this part of their offer is fair as I think it fairly compensates Mrs M for the financial cost of calls she had to make to try and sort the matter out.

In addition to these costs, Mrs M wants Halifax to reimburse her son for things such as the cost of retaking his driving test once he returns home from being abroad. And to also reimburse him for the cost of having to retake his theory test as Mrs M says he'll need to redo this by the time he's back. Mrs M says that her son will also need to take further driving lessons once he returns, as he wouldn't have driven for two years. So, Mrs M wants Halifax to pay for these too.

However, I can't ask Halifax to consider any losses that Mrs M's son may have suffered. I say this because he's an additional cardholder on the account – Mrs M is the account holder and only she would be entitled to any award I make.

Even if I could consider awarding Mrs M's son for the losses she describes, I still don't think it would be fair for me to ask Halifax to pay more compensation for some of the other things she's mentioned. I say this because, the outcome of a driving test isn't guaranteed. So, Mrs M's son may still have found himself in the same position he is now had he been able to take the test. So, in this case, it's fair that Halifax compensate Mrs M for the actual losses, which they have done.

I appreciate Mrs M says the impact, distress and inconvenience in sorting things for her son, not only in terms of trying to find out where his provisional driving licence had gone but also in trying to postpone his upcoming driving test, was very much felt by her. I can understand why Mrs M felt like this – it's clear Mrs M was inconvenienced, and I think Halifax's service could have been better. But I think the £250 compensation award our Investigator recommended is fair to address this inconvenience.

Putting things right

So, in total, Halifax should pay Mrs M £383 – this includes:

- £89 for the replacement provisional driving licence and cost of the cancelled driving test that Halifax already offered Mrs M.

- £44 for the call and travel costs.
- £250 compensation for distress and inconvenience.

My final decision

For reasons explained above, I uphold this complaint and I require Bank of Scotland plc trading as Halifax to carry out the actions I've set out in the "putting things right" section of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 26 May 2022.

Leanne McEvoy
Ombudsman