

The complaint

Miss P complains Bank of Scotland plc trading as Halifax (Halifax) refunded some interest and charges having admitted it mis managed her credit card account, but this only covered a short period of time.

What happened

Miss P says she received a letter from Halifax at the end of November 2020 saying it was refunding interest fees and charges charged to her credit card account in excess of £750 as it had mismanaged her affairs. Miss P says the letter only covered a period of time between mid-April 2019 to early August 2019. Miss P says she queried this with Halifax asking it to review her credit card account, but it ignored her requests. Miss P says her account has been mishandled since June 2018 and feels Halifax's review should have started then.

Miss P wants Halifax to refund all interest fees and charges from June 2018, plus 8% simple interest.

Halifax says the refund made at the end of November 2020 specifically related to the time Miss P's credit card account was with its collection team, as it was felt it may have been with that department longer than necessary. Halifax says all other interest and charges have been applied correctly, in line with its terms and conditions.

Miss P wasn't happy with Halifax's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator felt Halifax had agreed to refund interest and charges specifically relating to the time Miss P's account was with their collections department. The investigator reminded Miss P she couldn't consider any irresponsible lending issues as this service had already opined on that in June 2018 and no further limit increase had since been approved.

Miss P didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for a final 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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

The first thing to say here is this service have already issued a final decision in June 2018 regarding irresponsible lending and the interest and charges applied to Miss P's credit card account. So it has been explained to Miss P we can only consider any issues on her credit card account from that date – but here no further increases in her credit card limit have happened, so given that, I can't consider any irresponsible lending here.

I was sorry to hear Miss P still believes Halifax have treated her unfairly, but when looking at

this complaint I can only consider if it has treated her unfairly since June 2018 to date and if it unreasonably applied interest and charges to her credit card account.

Miss P's complaint centres around the fact that Halifax have accepted it failed to deal with her credit card account correctly and refunded her with some interest and charges, but only for a period between April 2019 to August 2019, when in fact Miss P feels it had failed to do so for a much longer period of time.

I have seen a letter from Halifax sent to Miss P dated 30 November 2020. In that letter it explains to Miss P that during her time with its internal collections department it didn't always take the appropriate course of action, and as a result refunded Miss P with a total of £761.41.

It's worth saying here that this service got an explanation from Halifax as to what it meant by "appropriate course of action" and it has explained the refund was a direct result of Miss P's credit card account being held in its collections department, for a prolonged period of time. So, with that in mind it's not saying the charges or interest were miscalculated, only that her credit card account could have been taken out of its collection department sooner.

So, when considering Miss P's complaint, I have to consider whether Halifax had incorrectly charged her credit card account with late/missed payment fees or overcharged interest outside of this period and after June 2018, for the reason we have already stated. Miss P hasn't provided this service with any evidence to support her view her account was mishandled by Halifax outside of the time it was in its collection department, or able to specifically identify any fees/charges or interest that was incorrectly applied.

To check if there were any clear overcharging, this service obtained copies of the statements on Miss P's credit card account for the period in question. It's fair to say having looked at the credit card account statements, aside from the time the credit card account was in Halifax's collections department, from what I can see while interest has been charged to her credit card account, it has been applied in line with the advertised interest rate detailed in her monthly credit card statements. It's also worth mentioning these statements show no fees were applied to Miss P's credit card account, even though on occasions the minimum payments weren't met.

While Miss P may not agree, I can't say Halifax have applied interest or charges it shouldn't have or there's any evidence to suggest it unfairly dealt with Miss P's affairs during this time.

I can see that an interest rate increase was proposed, but this never went ahead, there were no limit increases on Miss P's credit card account from June 2018 – there was an interest rate decrease in December 2020, so given that, I can't see Miss P has been treated unfairly here.

It follows, while Miss P will be disappointed with my decision I won't be asking anymore of Halifax here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 8 July 2022.

Barry White

Ombudsman