

The complaint

Mrs C and Mr C complain that Bank of Scotland plc (BoS) provided a poor service and incorrectly dealt with part of a refund for a holiday they booked but was subsequently cancelled.

What happened

Mrs C and Mr C booked a holiday in July 2019. They were due to travel in May 2020. Four separate instalment payments were made to the holiday provider from July 2019 up to February 2020. However, the holiday was cancelled.

But only three of the four instalments were returned to Mrs C and Mr C's bank account.

Mrs C and Mr C queried this. BoS located the missing instalment and advised it had been processed as a refund to a card number that was no longer valid. BoS initially put in place a temporary refund. But then realised this wasn't correct so it set up an incorrect account number dispute instead and the instalment was returned to the originating account (in this case the holiday provider). BoS awarded Mrs C and Mr C £50 for the inconvenience caused, and they were told to contact the holiday provider to get the remaining refund it had sent back.

But Mrs C and Mr C say that BoS hasn't done enough. They say that after numerous attempts to contact the holiday provider they are just being ignored. They say that they are at their wits end and nobody is helping. As it stands, and after two years, they're still down £400. So, they complained to this service.

One of our investigators looked at the complaint. The investigator agreed that the holiday provider was now responsible for the refund not BoS. But he recommended that BoS pay Mrs C and Mr C a further £100 for the inconvenience it had caused for the initial errors it made.

Mrs C and Mr C disagreed. They say BoS still hasn't done enough. They've 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.

Having done so, I'm upholding this complaint in part. I'll explain why.

- All the payments were made from the same account. But the debit card used to make the first payment has expired. So, when the holiday provider attempted to return this specific payment to this specific card an issue arose as the card details were no longer valid.
- BoS initially misinterpreted Mrs C and Mr C's problem, and it provided a temporary

refund. However, when it reviewed the issue again it realised this was the incorrect action, so it took the temporary refund back, and set up an incorrect account number dispute instead with the card provider. This meant the instalment amount of £400 was returned to the holiday provider.

- The original incorrect action and subsequent reversal caused distress for Mrs C and Mr C. BoS recognised this and paid Mrs C and Mr C £50 for the inconvenience caused.
- But, our investigator, felt that this error had caused more than the levels of frustration and annoyance you might reasonably expect from day-to-day life, and the impact had been more than just minimal such as a single mistake, requiring a reasonable effort or a few weeks to sort out. The investigator felt a compensation award of £150 in total was a fairer reflection of what happened.
- And I agree. Looking at the file, Mrs C and Mr C have been inconvenienced by BoS's actions and they do deserve a higher compensation award. I agree that an award of £150 (in total) is a fairer compensation amount for the inconvenience they've suffered, caused by the error BoS has made.
- However, Mrs C and Mr C still haven't been able to retrieve the missing £400. They tell us they've sent numerous emails to the holiday provider but they're being ignored. They can't get through to the holiday provider via phone.
- However, this issue is outside of the remit of this final decision and I won't be making any further comments about the issues with the holiday provider. I do note that our investigator has gone back to Mrs C and Mr C with some alternative solutions on how to possibly resolve this.

My final decision

My final decision is that I uphold this complaint in part. I require Bank of Scotland plc to:

- Pay a further £100 in compensation (£150 in total) for the inconvenience Mrs C and Mr C have suffered for the reasons I've set out above.

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

Derek Dunne
Ombudsman