

## **The complaint**

Ms O complains about Bank of Scotland plc trading as Halifax ("Halifax") for the way it handled her closed account and repayment plan. She wants Halifax to apologise and consider the impact of its communications on consumers.

## **What happened**

Ms O held a Halifax account for a long time.

In 2020, Ms O fell into financial difficulties. She was struggling to repay her overdraft to Halifax and was incurring daily interest which added a substantial amount to her debt each month.

In October 2020, her account was defaulted and closed. She agreed a repayment plan with Halifax of around £30 per month towards her debt. The default was registered against her credit file. Halifax told Ms O that she would be contacted for an annual review of the repayment plan the following year.

Ms O made all her repayments as per the agreement.

Around October 2021, Halifax contacted Ms O to carry out her annual review. She was in a work meeting at the time and was unable to speak to the agent. It was agreed that Halifax would send out an income and expenditure form for her to complete.

Ms O did not receive the income and expenditure form, but instead received a letter saying that her account had been closed and a default registered. The letter gave her most recent balance and when she checked the details of the letter it related to the already closed account. She was anxious, however, that something had happened to one of her other accounts, or that her repayment plan had been disrupted.

She contacted Halifax. She says that the agents she spoke to were dismissive. After her call she received another letter, repeating that the account had been closed. She was again worried that a further default had been registered, or the 6-year reporting period had been restarted.

She complained to Halifax. Halifax responded apologising for the text of the letters, but not upholding her complaint about staff rudeness or dismissive attitudes.

Ms O was not happy and contacted us. Our investigator looked into this matter and thought that Halifax had done enough in apologising for the text of the letters. She therefore did not uphold the complaint.

Ms O did not accept that view and asked for an ombudsman decision.

I issued a provisional decision in relation to this complaint in July 2022. In that provisional decision I explained that I thought that Halifax ought to pay Ms O £100 compensation to reflect her distress and inconvenience.

That provisional decision has been shared with the parties and they have been invited to comment or provide further evidence.

Ms O has acknowledged receipt and had nothing to add to the decision. Halifax has not responded to the provisional 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.

In the absence of further submissions or evidence I remain of the view expressed in my provisional decision and I uphold Ms O's complaint. I adopt my provisional decision and reasoning as my final decision.

### **Putting things right**

In order to put things right I consider that Halifax should pay to Ms O £100 compensation for her distress and inconvenience.

### **My final decision**

For the reasons given above and in my provisional decision, I uphold Ms O's complaint and direct Bank of Scotland plc trading as Halifax to:

- Pay £100 compensation to Ms O for her distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 6 September 2022.

Laura Garvin-Smith  
**Ombudsman**