

The complaint

Mr A complains that Bank of Scotland plc (“Halifax”) treated him unfairly and is unhappy that they closed his account he held with them.

What happened

Mr A was a customer of Halifax and had his wages paid into his current account he held with them. In October 2021, Mr A visited a local Halifax branch as he says his bank card was damaged, so needed to speak to someone to withdraw his money.

Mr A says that during his visit, he waited in line to speak to Halifax, but he says he was ignored twice and two other customers who arrived after him were seen to first. Mr A also says that when he was seen to, Halifax attempted to withdraw a different amount to which he had requested.

Mr A believes Halifax representatives were rude to him and treated him differently. He says he requested to speak to a manager but was refused. He believes they were racist towards him and says he overheard them talking to other customers about him.

Halifax asked him to leave the branch and he wasn't able to withdraw any money.

Later on, Mr A visited the branch again to collect the money he wished to withdraw. His account was closed and all his money he held in his account was given to him. A few days later, access to his account online was also removed.

Mr A says it took him months to open an account with a third-party bank and would like an apology from Halifax as well as to be compensated for the distress and inconvenience this incident has caused him.

Halifax believe Mr A was being rude, aggressive, threatening, and was shouting and swearing. They say they told him his behaviour would not be tolerated but he continued. They say there was an instance where the branch manager was also threatened with physical violence and so he was told his account would be closed. Halifax say they also contacted the police and raised an incident with them.

Mr A, unhappy his account was closed, brought his complaint to our service. Our investigator found that Halifax didn't need to do anything further. She explained that, Halifax are entitled to decide what behaviour it will tolerate and what it won't. And having reviewed the terms of Mr A's account he had with Halifax, she didn't believe they had acted unfairly.

Mr A disagreed with the investigator's view and believed he was discriminated against because of his race. The complaint has passed to an ombudsman to decide on.

I issued a provisional decision on 20 July 2022 where I explained why I intended to uphold Mr A's complaint. In that decision I said:

“Generally, if a bank intends to close an account, they should give enough notice so that the account holder can manage their money. I would generally suggest 30 days’ notice is reasonable. However, there may be instances where closing an account immediately may be necessary. If a customer is unhappy that their account has been closed, then they are entitled to ask our service to look into things and consider whether the bank has acted fairly and reasonably in the circumstances.

I have seen Halifax’s terms and conditions. Within them, it says that no notice needs to be given to end the agreement if they reasonably consider their customer is or may behave improperly (for example, in a threatening or abusive way).

Halifax has also shared with me their internal processes on what they would do if they feel a customer is acting inappropriately or in an abusive way. One of the options available to them is immediate closure of an account. I have noted, among other things, it says, “If the customer is present and the [senior bank manager] has given permission close the account, and if it is safe and possible give them cash...”. It goes on to explain that an account closure letter needs to be sent out to the consumer and the relevant customer notes updated on their system.

Halifax has also shared with me their internal processes on what they would do if a customer raises a complaint about alleged colleague behaviour.

Mr A says that Halifax were rude to him and treated him differently. He believes he was only able to speak to a manager once he questioned whether the staff member was racist. And he believes his bank account was closed due to the manager being unhappy Mr A had contacted the police. Halifax say that Mr A acted at times in an aggressive and threatening way. Where there is differing opinions between both parties, I must consider what I think is likely to have happened, on the balance of probabilities, and on the information available to me.

Halifax hasn’t provided the CCTV footage of Mr A’s visits to the branch. Halifax say footage is only retained for 30 days. They also say that CCTV is for security and not complaint handling, and there is no requirement for it to be viewed unless it would directly assist in this respect. While unhelpful, I have also considered how useful the CCTV footage would have been in providing clarity on the interactions. I accept CCTV footage doesn’t usually record sound, but I think it would still have been helpful to observe the body language of Mr A. I think from the CCTV footage it may have been possible to tell whether he was acting in an abusive way towards multiple people, like Halifax says he was. I also think it would have been helpful to understand whether Mr A had been ignored and two other customers seen to before him, like he says happened.

I am also mindful that the information Halifax has provided has been inconsistent, unclear and lacking enough detail. Mr A first spoke with the cashier who served him. Following an altercation [the extent of which isn’t clear due to the lack of evidence], Mr A then spoke with the branch manager. Halifax has provided the manager’s version of events, but hasn’t been able to provide a statement from the cashier who was serving Mr A. Halifax say the manager overheard the exchange, but again, from what has been provided, we can’t be certain how the altercation escalated. A statement from the cashier may have helped in this instance.

Halifax say they contacted the police about the incident, but the report completed by the senior branch manager at the time reflects that the police weren’t notified. And no further information about what was said to the police has been provided. The same report by the senior branch manager says that Mr A was verbally abusive to multiple members of staff, swearing and shouting. But the statement provided by the branch manager doesn’t suggest Mr A was verbally abusive towards multiple members of staff, but only to one. Halifax’s

submissions also suggest Mr A threatened the branch manager and said, "I'm going to get you". Mr A doesn't believe he did say that as it would have been a threat.

I can't be sure whether Mr A did threaten the branch manager. But with the lack of evidence and inconsistencies in Halifax's reporting, I don't think it is likely Mr A did threaten anyone, on the balance of probabilities.

Halifax can close an account for abusive behaviour, but if Mr A did say "I'm going to get you", I don't think it is enough to warrant an account closure. Ultimately, even if Mr A did say it, I don't think it was appropriate for his account to be closed, and on the balance of probabilities, I don't think Halifax has applied its own terms correctly regarding account closures. Mr A had been a long-standing customer of Halifax prior to this event, and there is no indication of incidents in the past of inappropriate behaviour by Mr A. I think a warning about future conduct should have sufficed and would have been more appropriate in this instance.

Overall, I'm persuaded by what Mr A has told our service about what happened on the day. In particular, due to the consistency of his testimony, and the conflicting information Halifax has provided.

In this instance, Mr A's account was closed on the same day. Mr A has briefly explained the difficulty he underwent in opening up an account with another third-party bank and what that meant for payments due at the time. So, I think it's clear Mr A has received some undue distress and inconvenience as a result of Halifax' error on this occasion."

I set out what I intended to instruct Halifax to do to put things right. And I gave both parties the opportunity to send me any further information or comments they wanted me to consider before issuing my final decision.

Responses to the provisional decision

Halifax hasn't responded to my provisional decision.

Mr A responded and said he accepts my 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.

As Mr A accepts my provisional decision and I hadn't received a response from Halifax, I see no reason to depart from it.

Putting things right

Having considered the impact on Mr A I think it is fair and reasonable for Bank of Scotland plc to pay a total of £200 for the trouble and upset this has caused him.

My final decision

My final decision is that I uphold this complaint and Bank of Scotland plc should put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 September 2022.

Ronesh Amin
Ombudsman