

The complaint

Ms P is complaining about Bank of Scotland plc trading as Halifax (Halifax) giving her incorrect information about her account which led to her making an unnecessary visit to a branch, which affected her health.

What happened

Ms P has a cash account and a current account with Halifax. The cash account doesn't allow an agreed overdraft facility.

Ms P has a chronic health condition which affects her mobility.

In January 2022 Ms P raised a chargeback claim for a payment she'd made from her cash account. The refund was credited to her account, and Halifax told Ms P it may be re-debited, but they'd let her know before it was.

On 24 January 2022 the chargeback refund was re-debited from Ms P's cash account. This led to Ms P's account becoming overdrawn by around £82.

On the same day Ms P spoke to an adviser from Halifax's specialist support team (SST). She explained what had happened and that it had caused her financial difficulties. She said she had a young baby and needed access to money to care for her. The SST adviser agreed a temporary overdraft limit of £90 for Ms P's cash account, to be repaid at £45 per month over the following two months. He told Ms P she'd have access to the £90 overdraft amount if she visited the branch to withdraw money. He also said he'd add a note to Ms P's account to say that the branch staff should allow her to withdraw funds even though her account was overdrawn.

Ms P walked to her local branch with her baby, which she says took about forty minutes. When she arrived the notes from the adviser she'd spoken to earlier about the repayment arrangement weren't visible to the branch staff. They didn't allow her to make a withdrawal, because they said there were no available funds in the account.

Ms P says she waited in the branch for around an hour and a half and was treated badly by a member of staff there, who spoke to her rudely and kept her waiting. She called the complaints department while she was in the branch, and they apologised. They arranged to pay Ms P £75 in compensation, along with covering the cost of her calls. These funds were paid into Ms P's other account with Halifax (which was at its agreed overdraft limit at the time) and she was able to access them on that day.

Ms P complained about what had happened. She said she wasn't aware that the chargeback was going to be re-debited, which led to her being left with no funds for her and her baby's needs. She said the walk to the branch had made her health condition worse, and she was still suffering from the effects. She'd like Halifax to pay her substantially more compensation.

Our investigator thought the compensation Halifax had already paid to Ms P was fair. But

Ms P didn't agree, so her complaint was passed to me for review and a decision.

I issued my provisional decision on 7 September 2022. This is what I said.

"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 think Halifax need to do more to put things right here. I'll explain why.

Ms P says she didn't receive notice of the chargeback refund being debited from her account. Halifax says a letter was sent to her address around eleven days before the amount was re-debited, and I've seen evidence the letter was sent to Ms P on this day. So, while I appreciate Ms P didn't receive the letter until after the refund had been re-debited from her account, I'm satisfied Halifax did what they needed to to let her know about it in advance.

As I've said, Ms P suffers from a chronic condition which can affect her mobility. She mentioned this to the adviser she spoke to in the SST at the beginning of her call with him. But when the adviser said she'd need to go into the branch to withdraw funds, Ms P said that would be fine. So, I wouldn't necessarily have expected the adviser to have explored any other options for Ms P to access funds at this point. But I would have expected him to have taken care to give her the correct advice about the options available to her.

Having listened to the call, I don't think the SST adviser gave Ms P the correct information about accessing emergency funds. He told her she could withdraw the £90 overdraft limit from her account through the branch for her immediate needs. But the account was already overdrawn by around £82, so this advice wasn't correct. The maximum that would have been available to Ms P was around £8, the difference between the overdrawn balance of £82 and the overdraft limit of £90. But this isn't how the SST adviser explained it to her. The SST adviser was aware that Ms P was in a vulnerable position and she was clearly upset when she spoke to him. I think he should have taken more care to give Ms P correct advice about what was available to her before telling her to visit the branch to withdraw emergency funds.

It seems clear a mistake was made here, which led to Ms P making an unnecessary visit to the branch - because she needed emergency funds and she'd been told, incorrectly, she could withdraw up to £90. So I can understand why she was upset, and thought the branch staff weren't helping her, when she couldn't withdraw funds from the branch as she'd been told.

I'm pleased to see Halifax acted promptly when Ms P called them from the branch, and paid her £75 in compensation for what happened, along with £17 to cover the cost of her calls - which allowed her to access funds on the same day. But I need to consider if the compensation they paid her is fair. I've thought carefully about this, and overall I don't think it is.

I know that Ms P feels she was discriminated against due to her medical condition. I can understand why she might feel this way, and I'd like to reassure her that I've not seen anything to suggest that Halifax have discriminated against her. But I can't make a legal finding about whether discrimination has taken place - that would be for a court to decide. I can only consider whether Halifax have acted fairly and reasonably, and I don't think they have here from what I've seen so far.

I'm sorry to learn the visit to the branch affected Ms P's health, but I'm also taking into

account that at the time she said it would be fine for her to visit the branch, so I don't think it would be reasonable to find Halifax responsible for this. But I do think the whole experience was upsetting and inconvenient for Ms P, more so due to the difficult circumstances she was in at the time, and I think Halifax should pay more compensation to reflect this.

I've thought carefully about the impact this has had on Ms P. And taking everything into account, I think total compensation of £200 is fair, reasonable and in line with awards we've made in similar circumstances. Halifax have already paid Ms P £75, so I think they should pay Ms P another £125."

Halifax replied to say they accepted my provisional decision.

Ms P also replied to say she accepted the provisional decision – but she added that if she'd known what would have happened she wouldn't have visited the branch, and only said she would because she needed the money for essentials. She also explained that Halifax was sending her correspondence which was causing her anxiety, and the investigator explained this could be dealt with as a new complaint.

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.

I do understand that the visit to the branch was difficult for Ms P, but as I've explained in my provisional decision, because she didn't say that this would cause her difficulty during the conversation where it was arranged I don't think Halifax were given the opportunity to explore other options at that point. So I still don't think it would be reasonable to find Halifax responsible for the effect Ms P says the visit to the branch had on her health. But I have taken her circumstances into account when deciding on a compensation award here.

Although I'm sorry to disappoint Ms P, overall I still think total compensation of £200 is fair and reasonable. So Halifax should pay Ms P another £125.

My final decision

My final decision is that I uphold this complaint and Bank of Scotland plc trading as Halifax should pay Ms P £125.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 22 October 2022.

Helen Sutcliffe
Ombudsman