

## The complaint

Mr A is unhappy that Bank of Scotland plc trading as Halifax ("Halifax") failed to carry out his request to transfer funds from his current account. He says that the lengthy delay in this being actioned caused him considerable distress and inconvenience.

## What happened

Mr A wrote to Halifax on a number of occasions informing it that he was jointly purchasing a house and would require a transfer of £10,000 from his account to an account with a different provider.

Halifax did not action this request, despite Mr A providing additional information and his sister attending a branch on his behalf. Halifax said that it did not hold a signature mandate for his account and therefore would require him to visit a branch or complete the transfer online.

Mr A says this was not possible as he was sheltering due to the Covid-19 pandemic and he did not have a computer to arrange an online transaction. Mr A therefore complained about this matter and was awarded £50, but this award was for a different matter, specifically for a response letter being sent to an incorrect address.

I issued a provisional decision on 15 December 2022 in which I upheld Mr A's complaint. I have included an extract of my provisional decision below:

*"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*

*I note that Halifax does have the right, under the terms and conditions of the account, to ask for two forms of identification in order for a transfer to be carried out. That said, I do think Halifax could have been slightly more flexible as it was, after all, satisfied it was dealing with Mr A during the complaint process and it was clear that he still wished to carry out this transaction. So I am slightly confused as to why, during the entire complaint process, Mr A was not passed through to a department to carry out the transfer he clearly still wanted to action. I see that the transfer was not carried out until more than two months after the final response was issued in March 2022. I think that this could've been prevented.*

*In any event, this whole process seems to have been started because Halifax did not have a signature mandate for Mr A. I am satisfied, albeit on balance, that one would've been provided when the account was opened in 2019. And therefore I think that it is more likely than not that the delay Mr A experienced in making the transfer was caused by Halifax being unable to locate the mandate.*

*Given this, I think that Mr A should receive appropriate compensation for the distress and inconvenience that he experienced as a result of Halifax's failure to locate the mandate for his account. The transfer of funds was for a house purchase and the funds being delayed would have, in my opinion, caused some distress and inconvenience to Mr A. For example, I note that Mr A made a number of calls and wrote a number of letters to Halifax to try and resolve matters, before this matter was rectified. Overall and having considered everything, especially the circumstances around what the transfer of money was for, I currently think that Halifax should pay Mr A £200 to reflect the distress and inconvenience that this matter has caused him.*

*Putting things right*

*Currently I think that Halifax should pay Mr A £200 in addition to the £50 already paid."*

In response to this provisional decision Halifax in summary raised the following points

- It was not Mr A's main current account and it had little contact with him about this account
- Halifax was entitled to request additional documents from Mr A to protect him from scams
- Mr A did not update his address prior to moving to Ireland
- Mr A was provided with an alternative way to action the transfer in its letter in March 2022

Mr A in response to my provisional decision reiterated the various issues that he had encountered during this process. He also said that he believes that the compensation that he should receive should be £500 to reflect that he had to travel to a branch in the United Kingdom ("UK") to rectify this matter.

### **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 relation to the points that Halifax has made, I think that it is missing the fact that if it were not for it mislaying Mr A's signature mandate, this whole issue would have been either avoided or at the very least lessened. I don't think it is not particularly relevant how often Mr A used the account prior to this issue or if it was Mr A's main account. Mr A had paid funds into the account and when attempting to withdraw the funds he was unable to because Halifax did not have a signature mandate. This mandate would have been provided during the opening of the account in 2019 it was not unreasonable to expect Halifax to have retained this mandate for three years regardless of account usage.

In relation to Mr A changing address without informing Halifax, this only became a major issue because of the above as he could always have changed his address with one letter if Halifax had retained the signature mandate.

I accept that Halifax did indeed give Mr A another route to actioning the transfer. That said, I am mindful this was not mentioned in its initial final response in which it essentially said there was nothing else that it could do. I also can see that Mr A was in phone contact with a complaint handler at this point who has said in the call notes that there was nothing Halifax could do and Mr A would have to refer his complaint to the Financial Ombudsman service. I think this initial response to Mr A's complaint could have been more helpful considering that the issue was ongoing and Mr A still needed to transfer the money. It may have been the case that the branch that Mr A was in contact with gave him the alternative route to actioning the transfer, though I have not been provided that correspondence. But by essentially saying in the initial final response that there was nothing that Halifax could do I think that this issue was initially lengthened.

In relation to Mr A's points, I would like to assure him that I have considered everything that he has mentioned. I will not attempt to address them all here, not due to discourtesy but rather to reflect the informal nature of this service. I note that he believes he should receive increased compensation to include the costs he incurred traveling to the UK but by this point Halifax had provided an alternative way of actioning the transfer. Mr A has mentioned that he tried this avenue but was placed on hold etc. I appreciate that it would've been inconvenient to go through this process and may've taken some time to arrange for the money to be transferred. But Mr A was given an option to transfer the money without needing to attend a UK branch. As such, I don't think it is reasonable that Halifax should bear the cost of Mr A's decision to travel to the UK.

Overall, I remain of the opinion that Mr A experienced an element of distress and inconvenience because Halifax had somehow lost the signature mandate form from when Mr A opened his account. And having considered everything, I still think the redress set out in my provisional decision is appropriate given the circumstances of this complaint. It seems that this will potentially disappoint both parties, but I hope I have explained why I have reached this outcome.

I would like to, for the sake of completeness, explain to Mr A that this decision represents the last stage in our process. Therefore, we are unable to discuss the merits of this complaint further. That said, if Mr A doesn't accept my decision, Mr A may be able to pursue this complaint elsewhere such as court if he wishes to do so.

### **My final decision**

For the reasons set out above, it is my decision that Bank of Scotland plc trading as Halifax should pay Mr A £200 to reflect the distress and inconvenience this matter has caused him. This is in addition to the £50 already paid to him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 14 February 2023.

Charlie Newton  
**Ombudsman**