

The complaint

Mrs H is unhappy that Bank of Scotland plc, trading as Halifax, sent mail to her marital home despite her giving clear instructions to Halifax not to do so.

What happened

Mrs H is going through a divorce and has been the victim of domestic violence. Mrs H approached Halifax to apply for a mortgage but made it clear to Halifax that no mail should be sent to her marital home where it might be intercepted by her husband.

Halifax arranged for all letters relating to the mortgage application to be sent to a new address. However, the setting up of the new address triggered the automated sending of letters to Mrs H's marital address which explained that Mrs H had registered a new address with Halifax. Fortunately, Mrs H received the letters herself, so that they weren't seen by her husband. But Mrs H wasn't happy with what had happened, and so she raised a complaint.

Halifax looked at Mrs H's complaint. They accepted the automated letters shouldn't have been sent to Mrs H's marital address and they apologised to Mrs H for this. Halifax also paid £300 to Mrs H as compensation for any upset or trouble she may have incurred. Mrs H wasn't satisfied with Halifax's response, so she referred her complaint to this service.

One of our investigators looked at this complaint. They felt the £300 already paid by Halifax didn't go far enough in light of the distress Mrs H had incurred and felt that Halifax should pay a further £200 to Mrs H – taking the total amount of compensation to £500. Mrs H remained dissatisfied, so the matter was escalated to an ombudsman for a final 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.

It seems clear that Mrs H was caused a significant degree of unnecessary upset and distress by Halifax incorrectly sending letters to her marital address as they did. And I can understand how Mrs H might feel that even the increased compensation amount of £500 as recommended by our investigator might not go far enough to address what took place.

But this service isn't a regulatory body or a Court of Law, and this means that it isn't within the remit of this service to 'fine' or 'punish' a business, or to declare that a business has acted in a non-regulatory or unlawful way. Such declarations would be for a regulatory body or a Court of Law to potentially make. Instead, this service is an informal, impartial dispute resolution service with a remit that's focussed on fairness of outcome.

As such, when a business accepts it made an error, the remit of this service is focussed on ensuring the business takes any necessary corrective action to put the complainant back into the position they should fairly be in had the error never occurred, and to consider any compensation offered and instruct new or further compensation if it's deemed fair to do so.

This also means that when this service considers matters of potential compensation, these considerations have to be based on what did happen, rather than what might have happened – given this service’s outcome-focussed remit, as explained above.

In this instance, Halifax don’t dispute they made an error in sending the letters to Mrs H’s marital address that they did, and they’ve explained that they’ve taken the corrective steps necessary to mitigate against a similar error being repeated in the future.

But Mrs H was unfairly upset and worried by what happened here, and it’s both lucky and thankful that she received the letters herself and that her husband never saw them. Halifax have accepted and apologised to Mrs H for this, and they’ve also accepted our investigators’ recommendation to increase the total compensation payable to Mrs H to £500.

Matters of compensation can be subjective, with an offer considered fair by one person often not considered as such by someone else. But given the full circumstances of this complaint, I do feel that the increased compensation amount of £500 as recommended by our investigator is a fair amount here.

In arriving at this position, I’ve considered the significant distress that Mrs H incurred at the receipt of those letters to her marital address. But I’ve also considered that, luckily, Mrs H’s husband didn’t see the letters, which means that a potentially more awful outcome than which actually took place has been thankfully avoided.

So, while I will be upholding this complaint in Mrs H’s favour, I’ll only be doing so in order to formally confirm that Halifax must pay Mrs H a further £200, in addition to the £300 she’s already received. I realise this might not be the outcome Mrs H was wanting, but I hope that she’ll understand, given what I’ve explained, why I’ve made the final decision that I have.

Putting things right

Halifax must pay £200 to Mrs H, taking the total amount of compensation payable to £500.

My final decision

My final decision is that I uphold this complaint against Bank of Scotland plc, trading as Halifax, on the basis explained above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mrs H to accept or reject my decision before 13 February 2023.

Paul Cooper

Ombudsman