

## The complaint

Mr J is unhappy that Bank of Scotland plc, trading as Halifax, indicated to him that he could successfully apply for a credit account but then declined his formal account application.

## What happened

Mr J used Halifax's online eligibility checker to check whether he would be approved for a credit card with a £1,500 credit limit if he applied to Halifax for one.

The eligibility checker indicated to Mr J that he would be approved for a credit card with a £1,000 credit limit. But when Mr J then applied to Halifax for a credit card with a £1,000 credit limit, his application was declined. Mr J wasn't happy about this, so he raised a complaint.

Halifax looked at Mr J's complaint. They explained that the eligibility checker only detailed whether an application was likely to be successful, and not that it would definitely be successful, given that formal applications are subject to additional checks. Because of this, Halifax didn't feel they'd acted unfairly towards Mr J as he contended. Mr J wasn't satisfied with Halifax's response, so referred his complaint to this service.

One of our investigators looked at this complaint. But they felt Halifax's response to Mr J's complaint was reasonable, and so didn't uphold the complaint. Mr J remained dissatisfied, and 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.

I issued a provisional decision on this complaint on 20 January 2023 as follows:

*Halifax have demonstrated that their eligibility checker describes itself as follows:*

*"... it's a straightforward credit card eligibility checker that shows you which cards you're likely to be accepted for and your estimated credit limit"*

*The key phrase here is 'likely to be accepted for'. And, if it were the case that Mr J had inputted his information into the eligibility checker and received a simple response from it, then I wouldn't be provisionally upholding this complaint in Mr J's favour.*

*However, Mr J has been able to evidence that when he did use the eligibility checker, having requested a credit limit of £1,500, he received the following message.*

*"We can offer you the card, but the offer has changed.*

*Your estimated credit limit, £1,000.*

*Please review the details of your proposed offer below before clicking 'Continue' to progress with your application."*

*Mr J points out that the message quoted above didn't say that Halifax 'may' offer him the card, but that they 'can' offer the card, which I agree with Mr J is suggestive that Halifax would offer him a credit card with a credit limit in the region of £1,000 if he formally applied for one. As such, I can appreciate Mr J's frustration when his subsequent application for a credit card with a £1,000 credit limit was declined by Halifax.*

*Halifax have explained that Mr J's application was declined because of further checks that are only conducted when a formal application is received. This seems reasonable to me, and so I won't be instructing Halifax to provide a credit card account to Mr J as he may like.*

*But I do feel that Mr J was unfairly misled into believing that his application for a credit card with a £1,000 credit limit would be successful, and so I'll be provisionally upholding this complaint on that basis and instructing Halifax to make a payment of £100 to Mr J as compensation for any upset and frustration this matter may have caused.*

*Finally, I'll also be provisionally instructing Halifax to remove any credit searches relating to this application from Mr J's credit file, given that I'm satisfied that Mr J wouldn't in all likelihood have gone ahead with the application had he it been made clear to him that the application might not have been successful – which as explained, I don't feel was made clear to Mr J in this instance.*

Both Mr J and Halifax have confirmed that they're happy to accept my provisional decision. As such, I see no reason not to issue a final decision upholding this complaint in Mr J's favour on the basis as outlined above, and I therefore confirm that I do uphold this complaint on that basis accordingly.

### **Putting things right**

Halifax must make a payment of £100 to Mr J.

Halifax must also remove any credit searches relating to the account application in question from Mr J's credit file.

### **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 Mr J to accept or reject my decision before 28 February 2023.

Paul Cooper  
**Ombudsman**