

## **The complaint**

Mr and Ms B say Bank of Scotland plc, trading as Halifax, did not follow Ms B's instructions to cancel a cheque.

## **What happened**

Ms B gave a cheque for £1,250 to the vendor of a property she was buying on 31 August 2022. It was for fixtures and fittings she was buying as part of the property sale. She rang the bank later that day to ask for the cheque to be cancelled. This was because of the condition of the goods, but also, she says, as she had had to pay for a certificate needed for completion to go ahead.

Despite Halifax confirming it would cancel the cheque, it debited her account on 6 September 2022. Ms B had to call the bank from overseas as she was on holiday and a long call followed. Ms B raised a complaint as the adviser could not explain what had happened. Halifax then accepted it had made a mistake and offered Ms B £50 compensation for the distress and inconvenience caused.

Ms B wants a refund for the full value of £1,250 and a compensation payment that properly recognises the amount of stress Halifax caused.

Our investigator upheld Mr and Ms B's complaint in part. He said the bank had made an error by not cancelling the cheque but this does not mean it can be held liable for the dispute(s) between Ms B and the vendor. The dispute is as a result of the condition of the goods Ms B purchased from the third party as part of the property purchase, and the certificate she paid for to ensure the property purchase did not fall through at the last minute. These are not issues the bank had any involvement in, so he felt it would have been reasonable to expect Ms B would have taken that up with the vendor first. Had the bank cancelled the cheque Ms B would have the goods from the vendor and the money she had agreed to pay for them – no doubt leading to a dispute with the vendor. However, he felt £150 compensation more fairly reflected the distress and inconvenience Ms B had experienced.

Halifax agreed to pay this but Ms B asked for an ombudsman's assessment. She said the investigation was not impartial. She cancelled a cheque, Halifax failed to follow her instruction and so it must refund the full value. She had also understood the investigator was going to contact Halifax about refunding the £468.40 cost of the certificate. He later clarified this was not the case.

## **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.

Having done so I am not instructing Halifax to refund the value of the cheque, nor the cost of the certificate, to Ms B. I will explain why but first want to address the point she made about bias in the investigation. We are an independent and impartial organisation and we do not

act on behalf of banks or consumers - it is not in our interest to find in favour of one party over the other.

It is not in dispute that Halifax made a mistake when it did not cancel the cheque. And that the inconclusive call when Ms B was away exacerbated the stress and inconvenience this caused her. But I am satisfied that the revised compensation offer of £150 fairly reflects the impact of this on Ms B. I have thought about the wider circumstances of the issue, and also its duration and value of the cheque.

I don't think that Halifax should refund £1,250 as that was money Ms B had agreed to pay to the vendor for goods in the property. I understand Ms B was unhappy with the condition of the goods on sight, as well as other things in the flat, but it is reasonable she should pursue this with the vendor.

Similarly, I understand that she wanted to cancel the cheque for the additional, though unconnected, reason that she had to pay to remedy a defective lease certificate. But based on the information I have it seems again that ought to be a dispute between her and the vendor, and not something I can fairly hold Halifax liable for. I understand that Halifax's error meant Ms B feels she lost any leverage to resolve the issues set out above with the vendor. But I am not persuaded that means Halifax should bear the financial loss given Ms B did receive the goods she agreed to purchase, albeit not in the condition she expected. Recovering her monies for the goods Ms B has told us were in poor condition and for the cost of the revised lease certificate would need to be taken up with the vendor, or his solicitor.

### **Putting things right**

Halifax should pay Mr and Ms B £150 compensation.

### **My final decision**

I am upholding Mr and Ms B's complaint in part. Bank of Scotland plc, trading as Halifax, must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Ms B to accept or reject my decision before 10 April 2023.

Rebecca Connelley  
**Ombudsman**