

The complaint

Mrs K and Mr O complain that Bank of Scotland plc, trading as Halifax failed to set up their joint account correctly.

What happened

Mrs K and Mr O visited Halifax in July 2022 to open a joint account as they wanted to save for a new home. The account was opened, but only Mr O's name was showing. They were told it was a technical fault and that it would be resolved. Following this, Mr O received a card for the account and was able to log into the app, however no card arrived for Mrs K.

In December 2022 Mrs K and Mr O complained as they still hadn't received Mrs K's card. They were told the issue had been resolved and they were paid £25 in compensation.

However, the issue hadn't been resolved as Mrs K still didn't have access to the account. In January 2023 Halifax sent Mrs K a card and PIN and offered an additional £70 to resolve the complaint. As it had taken five months to resolve the issue, our service was asked to look into things to see if we felt the offer was fair.

Our investigator was of the opinion that while Halifax had admitted error and offered compensation, the amount should be higher. He asked them to pay an additional £75, bringing the total compensation to £165.

Halifax agreed, however Mrs K and Mr O remained unhappy. They said they felt as though they were being profiled both economically and socially and they were offended by the piecemeal offers Halifax had been making. They said they felt as though Halifax had placed them in a certain class which is the reason why they treated the complaint with laxity.

Our investigator passed on Mrs K and Mr O's concerns to Halifax and asked for their comments. Halifax explained that the account could not be opened in joint names initially due to a genuine system error. A human error then followed as the member of branch staff failed to add Mrs K to the account. The mistake was eventually corrected when the complaint was raised.

Our investigator explained this to Mrs K and Mr O, and said he remained of the view the account wasn't set up properly due to human error rather than anything else. After reviewing the file again with Mrs K and Mr O's further comments in mind, he did not see any indication of profiling, and reiterated that the compensation amount of £165 already offered was fair.

Mrs K and Mr O disagreed and asked for their complaint to be passed to an ombudsman.

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 looked through everything, I agree with the investigator for the same reasons. I will explain why.

It's not in dispute that Halifax made an error here and took some time to resolve the issue. They have explained that the errors made were both system and human related, and they accept it took too long for Mrs K to receive her card and for the account to also show in her name.

So what I need to decide is whether or not the compensation of £165 that our investigator recommended is fair.

I would also like to say that we take any allegation of profiling very seriously. And I must explain that while we cannot make a finding on whether a business' actions were a sign of any type of discrimination (the Equality Act makes clear that this is exclusively a matter for the courts), as part of our investigation we do take the law, best practice, and industry guidance into account and so we can make a finding on whether we think a customer has been treated fairly and reasonably.

Having looked through everything, Halifax have been consistent in their communication when explaining that the first error was caused by a technical fault. I can see they also told Mrs K and Mr O this at the time they wanted to open the account. Halifax have explained the second error was a human one, where multiple blank profiles had been linked to the account in error. These were removed, and they were able to add Mrs K to the account and send out her card.

Given the explanation provided by Halifax, it appears that the errors were most likely down to a technical fault and a human mistake.

Mrs K and Mr O have explained they want to be compensated for lost time and for being derailed from their savings plans. While I completely agree the service they received was unsatisfactory, and that it led to them being without the joint account for around six months, I do recognise that while they applied for the account in July 2022, they didn't notify Halifax that Mrs K's card hadn't arrived until December 2022. It then took until January 2023 to resolve the issue. Given the circumstances, I do believe the amount of compensation recommended by the investigator is fair and is along the lines of what I would have asked Halifax to pay, had they not offered anything at all.

Because of this, I won't be asking Halifax to award any further compensation. I know this isn't the outcome Mrs K and Mr O were hoping for, but I hope I have explained why I feel it is fair.

My final decision

My final decision is that I uphold this complaint. Bank of Scotland plc trading as Halifax should pay Mrs K and Mr O a total of £165 in compensation for the inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K and Mr O to accept or reject my decision before 6 July 2023.

Danielle Padden
Ombudsman