

## **The complaint**

Miss F complains that Bank of Scotland plc trading as Halifax unfairly closed her bank account.

## **What happened**

*Miss F opened a basic bank account with Halifax in March 2023. Halifax says it carried out a review on 16 May 2023 and took the decision to give two months' notice of its intention to close the account. Halifax sent Miss F a text message and letter confirming its decision.*

*Miss F and her support worker called Halifax back and asked for further information about its decision. During their discussions with Miss F Halifax agreed to consider an appeal and indicated it was likely to be successful. But the appeal was declined and Miss F's account was closed on 21 July 2023.*

*Miss F complained and Halifax issued a final response on 7 August 2023. Halifax apologised and said it shouldn't have arranged for Miss F's account to close and that it would contact her to confirm when she could reapply. Halifax added that it had set an expectation that the appeal would be successful which had caused confusion. Halifax paid Miss F £200 for the distress and inconvenience caused plus £25 for call costs.*

*An investigator at this service looked at Miss F's complaint. They thought Halifax had made a reasonable offer to resolve Miss F's complaint and didn't ask it to do anything else. Miss F asked to appeal, so her complaint has been passed to me to make a decision.*

## **What I've provisionally 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've been reasonably brief in setting out the background above as all parties broadly agree about the timeline for Miss F's case. Miss F has explained that when Halifax contacted her about its decision to close her account she quickly made contact with the assistance of a support worker. They wanted to get an understanding of why Halifax had taken the decision and whether there was an appeals process. Halifax accepts it subsequently agreed to accept an appeal from Miss F but overstated the chances of success, causing further confusion.*

*Halifax has confirmed it shouldn't have closed Miss F's account. In its final response, Halifax adds that it will confirm when Miss F is able to reapply. I appreciate Miss F may want Halifax to reopen the account it closed. But I'm satisfied it's reasonable for Halifax to take Miss F though its application process should she wish to open a new account. I've taken the additional inconvenience into account when deciding how to fairly resolve Miss F's case.*

*I've considered whether the existing settlement is fair. Miss F has explained that there were difficulties opening the account in March 2023 because of some disputed information on her credit file. I can understand why Miss F feels upset that just two months later Halifax took the*

*decision to close the account without being able to explain why. I'm satisfied Halifax caused further concern to Miss F by the way it represented the appeals process. And I think it's fair to say Miss F would've been particularly frustrated to find out the account closure had been processed in error after everything else that had happened. I'm not persuaded that £200 fairly reflects the level of distress and inconvenience caused to Miss F by the way her account was handled by Halifax.*

*Based on the information I've seen so far I intend to increase the settlement by £200, taking the total award to £400 for the distress and inconvenience caused plus £25 for Miss F's call costs. In my view, that figure more reasonably reflects the level of trouble and upset caused to Miss F and is a fairer way to resolve her complaint.*

I invited both parties to respond with any additional comments or information they wanted me to consider before I made my final decision. Miss F responded to confirm she is willing to proceed in line with the provisional decision. Miss F added that her account was immediately blocked which meant she wasn't given the two months' notice required. Miss F also said that Halifax had failed to contact her to discuss applying for another bank account.

Halifax advised it had nothing further to add.

### **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'd like to thank Miss F for providing some additional comments. I've taken what Miss F has said into account. Having reviewed Miss F's case again, I still think her complaint should be upheld for the same reasons.

Miss F has explained she still wants to open an account with Halifax. So Halifax should also make arrangements to complete a bank account application with Miss F as soon as is convenient.

### **My final decision**

My decision is that I uphold Miss F's complaint and direct Bank of Scotland trading as Halifax to settle by paying her a total of £425, less any compensation already paid. Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 18 October 2023.

Marco Manente  
**Ombudsman**