

The complaint

Miss W complains that Bank of Scotland plc trading as Halifax acted unfairly when it continued with a credit card application which she says she had abandoned before agreeing to.

What happened

Around August 2021 Miss W began an application, online, for a Halifax Credit card. She says that she reached stage 5 of the application and then changed her mind and closed the browser – so she considered the application to have been cancelled.

However, the application was approved. Miss E called Halifax shortly after the application was made to discuss a balance transfer but was told she would need to wait for the card to be received.

Miss E received the card sometime after this and began using it soon after and continued to do so.

In 2023, Miss E complained to Halifax saying that she never signed the agreement and considered it cancelled as she had closed the browser prior to the application being completed. She felt that she had been entered into a contract that she hadn't agreed to and had only used the account as she wasn't aware she was able to change her mind at the time. She says she has only recently realised this meant she lost out on other opportunities at the time of better deals that were available. She says she missed these opportunities as she didn't feel she could apply for them as Halifax had conducted a hard search on her credit file and this would affect her ability to get those other deals.

Halifax didn't uphold Miss W's complaint saying the application had been fully completed online and the only part not completed was the balance transfer section. And that the terms and conditions of the card would have been sent to her so she would have known about the right to change her mind.

Miss W remained unhappy and so referred her complaint to this service. Our investigator didn't think Miss W's case was one that should be upheld. In summary they said they had reviewed the process she would have needed to go through for the application to be complete and could see no evidence an error had been made by Halifax. They felt Miss W's call after the application, demonstrated to a reasonable degree Miss W intended to apply for the credit card and was aware the application had been successful.

Miss W disagreed and so the matter has now been passed to me to decide.

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 realise that I've summarised this complaint in less detail than the parties and I've done so

using my own words. I've concentrated on what I consider to be the key issues. The rules that govern this service allow me to do so. Although I haven't commented on every argument or point raised by the parties this doesn't mean that I've not considered everything that both parties have given to me.

There is no dispute between the parties that Miss W began the application for the credit card online or that she entered the details asked for in the application. Miss W says herself she got to stage five of the application before changing her mind and closing the browser. Halifax have provided a copy of the credit card application journey Miss W would have gone through. Having looked at this I can see that the electronic signature page and the submission of the application is in stage four. Stage five is the section where details can be entered for a balance transfer. Which is the section of the application Halifax say wasn't completed by Miss W. So based on what I have seen in the evidence provided and what Miss W has told us herself, I'm satisfied that the electronic signature and application submission was completed.

I don't dispute what Miss W has said, that at stage five she changed her mind and closed the browser, nor do I dispute that in her view this was the same as cancelling the contract. But as the application had already been successful at the point, she changed her mind I can't agree she didn't enter into the contract with Halifax. Miss W has suggested maybe this happened because of a glitch in Halifax's system, but I've seen nothing that supports that.

Miss W says she didn't receive the terms and conditions of the account, but Halifax have said that an email confirmation was sent to Miss W, confirming the application was successful and that emails of that type include the terms and conditions of the account. On balance, I'm minded to say it's more likely than not Miss W did receive such an email. I say this because Miss W called Halifax shortly after the application to discuss a balance transfer.

In the call Miss W says:

"I was recently successful in applying for a credit card and I would like to make a balance transfer over the phone"

This call was made before the card had been received and after Miss W says she closed the browser – cancelling the application. So, if she wasn't aware the application had completed and been successful, she couldn't have known she had an account on which she could perform the balance transfer, but for the receipt of the email.

As I'm persuaded the email was received, I'm also persuaded the terms and conditions of the account were likely included with the email, as confirmed by Halifax is their process. So, I've looked at the terms and conditions of the account and can see they contain a section called "Changing your mind" which says:

"You can withdraw from this credit agreement for any reason within 14 days, starting with the day after you receive your first card. You do not have to tell us why. If you want to withdraw, you must tell us by phone or in writing (see "Our contact details" above) and must repay us any balance you owe without delay but no later than 30 calendar days after you tell us. See "How to pay" in B7.1. If you have used your card, you must also pay any interest due to us but do not have to pay any fees or charges. You can ask us to tell you the interest charged per day."

I've also seen that the terms and conditions are contained within the application at stage four, and to progress to stage five Miss W would have had to accept them. So, while I accept

that Miss W may not have read them, I am satisfied they were available to her. So, I can't fairly say that Halifax didn't inform her of her right to change her mind or that they withheld that information from her.

As I've said above, I don't doubt that Miss W had second thoughts about continuing with the account, but she never asked Halifax to cancel the account, so they couldn't have known she wanted to. I have listened to the call where she talks about the balance transfer, and she does say she had changed her mind and then it was approved so she now wanted to do the balance transfer. She does say this is because of the hard search, but I don't think the call handler could have been expected to know she wanted to withdraw as the call was about how to now make a balance transfer. To me, this implies she had changed her mind but had then changed it back. This is supported by the fact she began using the card almost immediately.

Based on all of the above, I'm satisfied that Halifax provided the account as it should have done following it receiving a completed online application.

I know Miss W believes she missed out on better deals that she didn't feel she could apply for at the time, but I can't consider hypothetical situations. I've seen no evidence that better deals were available to Miss W at the time. And even if I had, because she didn't make any applications for them, there is no way of being sure she would have been accepted for those deals. But even if she had missed out on deals, Halifax would only have needed to do something about that, if it had acted unfairly in providing the account and conducting the search on Miss W's credit file. And as I've already said I'm satisfied it didn't.

I know Miss W will be disappointed with this outcome and I appreciate how strongly she feels about it. But my decision ends what we – in trying to resolve her dispute with Halifax – can do for her.

My final decision

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 5 March 2024.

Amber Mortimer
Ombudsman