

The complaint

Miss A said that Bank of Scotland plc trading as Halifax failed to remove a mistaken hard search from her credit file. And she said Halifax wrongly linked her complaint about this to her former partner, writing to them together, which caused her distress.

What happened

Miss A told us that she and her then partner applied for a mortgage with Halifax in early 2022, but unfortunately their search for a property wasn't successful. She said that long after they'd given up on buying a house, Halifax recorded a hard credit search on her credit file.

Miss A said this affected her credit score. She was very unhappy about that, particularly as she and her former partner had decided not to live together anymore, and she was trying to move out. So she complained about this to Halifax. She asked Halifax then to look into any effect on her former partner's credit file too, but to do that separately to her complaint.

Halifax said it was sorry about the credit search, and it had taken steps very promptly to get it removed. Halifax understands Miss A has told us the search is still visible on her credit file with one credit reference agency ("CRA"). But Halifax said it had received confirmation from that CRA that the search had been removed, and it sent this to our service.

Halifax accepts it also merged the two complaints, and wrote to both Miss A and her former partner together about this. It also accepts that Miss A asked repeatedly, for Halifax to stop this, but it took some time to separate out her complaint.

Halifax said it was sorry about this, and it wanted to pay Miss A £150. Miss A said that wasn't anywhere near enough. So she asked our service to look into this.

Our investigator didn't think this complaint should be upheld. She said Halifax did carry out a hard credit search which wasn't needed, but she was satisfied it had acted quickly to remove it once it realised this. She didn't think it was Halifax's fault that this search was still visible.

Our investigator said Halifax ought to have taken more care when it set up this complaint, and oughtn't to have continued to communicate with both Miss A and her former partner together, after this. But she thought £150 was a fair offer for the distress and inconvenience described, so she said she wouldn't ask Halifax to do any more.

Miss A didn't agree. She wanted her complaint to be considered by an ombudsman, so it was passed to me for a final decision. I then reached my provisional decision on this case.

My provisional decision

I issued a provisional decision on this complaint and explained why I did propose to uphold it. This is what I said then:

I do think the credit search Halifax carried out on 1 November 2022 was a mistake. But I've seen the correspondence Halifax sent to the CRA which is still showing a hard

credit search for Miss A now, and the reply Halifax received from that CRA did confirm all searches from 1 November 2022 had been removed. So I don't think it's Halifax's fault if the hard search it had previously asked the CRA to remove, is still showing on Miss A's credit file now. I'm also pleased to see Halifax has asked that CRA again to remove this.

I also think it was a mistake for Halifax to write to both Miss A and her former partner together about this issue. I think Miss A did indicate from the start that any concerns her former partner might have about this credit search should be dealt with separately. And she made this very clear indeed in later correspondence to Halifax.

Miss A has told us how this affected her, and how it made an already difficult time worse, before she moved out of the home she'd shared with her former partner. I think Halifax did have an indication from the start that things were difficult for Miss A, as she said that she was trying to move out of the shared home. So I think not only was writing to both Miss A and her former partner together not appropriate here, I also think Halifax ought to have been alive to that.

Because of that, I think Halifax should pay a little more compensation than it has previously offered in this case. I think a total payment of £250 would provide a fair and reasonable outcome to this complaint. I understand that Halifax has already paid £150, so that means it would need to make a payment of £100 now.

I invited the parties to make any final points, if they wanted, before issuing my final decision. Both sides replied.

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.

Halifax said that it felt the decision was fair and reasonable, and it would pay the suggested compensation.

Miss A replied to say that I'd missed out the amount of time she had spent on the phone to Halifax, repeatedly being told someone would get back to her (she thought this was as many as 19 times) and no one ever called back. She said this issue was only progressed because she chased. She said this wasted her time and money. Miss A said that recorded calls would show that she was continually promised call backs and never once had one.

Miss A thought she should receive at least an extra £100, because she didn't think I'd addressed that issue at all in my provisional decision.

I'm sorry if Miss A felt that an important issue had been overlooked here. But our service is an informal dispute resolution service, and I won't always set down in a decision every detail of a complaint that is brought to me. That doesn't mean those details have been ignored.

I'd like to reassure Miss A that I did take into account, when I reached my provisional view on the appropriate level of compensation in this case, what she'd told us about difficulties both in getting Halifax to look at what happened when the hard search was recorded on her file, and also then in getting Halifax to address her complaint. And although I haven't listened to the calls Miss A made, I can see that what Miss A told us about this is consistent with what she said to Halifax earlier, so I do think it's likely that Miss A experienced such difficulties. But as I did consider this as part of reaching my provisional decision, I don't think this is something that has been ignored in Miss A's complaint. I've reviewed this decision in full

now, and I still think that the proposal I initially made provides a fair and reasonable outcome to this complaint. So I don't think that the level of compensation ought to be increased, as Miss A suggested.

For the reasons set out above, I haven't changed my mind in this case. I'll now make the decision I originally proposed.

My final decision

My final decision is that Bank of Scotland plc trading as Halifax must pay Miss A £100, in addition to the payment of £150 it has already made.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 7 November 2023.

Esther Absalom-Gough
Ombudsman