

The complaint

Ms C complains that Bank of Scotland plc trading as Halifax failed to provide her with sufficiently clear information when she opened a fixed rate ISA in April 2023.

What happened

Ms C opened a fixed rate ISA with Halifax using an online application in April 2023. In the following two months Ms C made three one-off deposits totalling £7,000. And she appears to have set up a standing order to pay £500 each month into the ISA.

Ms C says that after the first two standing order payments had been made, subsequent payments were rejected by Halifax. When she complained to the firm she was told that the terms and conditions of the ISA only allowed her to make deposits for a period of 60 days after the account was opened. Ms C complained that the restriction had not been made clear when she opened the account. Halifax told Ms C that it thought her complaint had been resolved. Unhappy with that response she brought her complaint to us.

Before the complaint was looked at by our investigator, Halifax issued a further response to Ms C. It again told Ms C that it didn't think it had done anything wrong. It explained she had agreed to the account terms and conditions that contained the restriction. But it paid her £30 for some inconvenience she'd experienced when she first made her complaint. And, as a gesture of goodwill, it told Ms C that it would reopen the funding window if she wanted to add more money to her ISA. It told her that she could accept that offer by telephoning the number provided in the letter.

Ms C's complaint has been assessed by one of our investigators. She thought that the information Halifax had made available to Ms C, about the terms and conditions, when she opened the ISA had been sufficient. So she didn't think the complaint should be upheld. And she reminded Ms C of Halifax's offer to allow further monies to be added to the ISA if she got in touch with the complaint handler – and the investigator offered to facilitate that request.

Ms C says that she initially didn't receive the investigator's assessment that was sent in November 2023. It is only recently that she has revisited the complaint and asked for an update. But, since Ms C didn't agree with the investigator's assessment, and the complaint hasn't been resolved informally, it has been passed to me, an ombudsman, to decide. This is the last stage of our process.

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.

In deciding this complaint I've taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by Ms C and by Halifax. Where the evidence is unclear, or there are conflicts, I have made my decision based on the balance of probabilities. In other words

I have looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

At the outset I think it is useful to reflect on the role of this service. This service isn't intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

From the information I have been sent by Halifax it seems clear that the fixed rate ISA that Ms C opened did have some terms and conditions that meant monies could only be deposited in the account within 60 days of it being opened. So I don't think there are any grounds under which I can conclude that Halifax has failed to treat Ms C fairly in the way the account has been operated.

But I don't think that is the crux of Ms C's complaint. Her complaint is that the information about those terms was not made sufficiently clear by Halifax when she opened the account. Ms C has sent us a screen grab of the information she says was presented to her at the account opening stage. And Halifax has sent further information that it says Ms C agreed she had read before completing her application.

When Ms C opened her account she says she was presented with some summary information. In relation to the matters forming this complaint, that information said;

"You have to make your initial deposit within 60 days of opening the account"

But the application process also asked customers to read what Halifax described as the "Account Summary Box". The information contained in that section, that was accessed by a link immediately below the statement above, said;

"You need to deposit £500 or more within 60 days of opening the account. After the 60 days are up, you won't be able to make any more deposits."

And as part of the account opening process Ms C needed to confirm that she had read the account terms and conditions that Halifax provided a link to. In relation to this complaint, the relevant section of the terms and conditions said;

"Pay in for 60 days after account opening, with more than one payment if you like. You can transfer in other ISA savings during this time too. After this you can't add any more. Remember if you don't pay in your full ISA allowance you will limit your tax-free savings that year"

I sympathise with the position Ms C found herself in. The summary information she had seen simply told her that she'd need to make an initial deposit into her account within 60 days. And after doing that I can understand why she was disappointed that she wasn't able to continue making monthly additions to her ISA as it seems she had planned. But saying that doesn't mean that I think Halifax has treated Ms C unfairly, or failed to provide her with sufficient information when she opened the ISA.

Some headline features of the account are shown automatically to consumers. That is the information that Ms C has given us in support of her complaint. But immediately beneath that information is a series of drop down summaries giving more information about the account. And the terms and conditions of the account are also available via a link.

It is natural that the summary information that might be provided doesn't fully cover all the terms and conditions of an account. The terms and conditions will generally be lengthy – and in the case of Ms C's ISA ran to over 50 pages. That is why that information is provided in a separate link that can be accessed from the application page, and that consumers are asked to confirm they have read before proceeding.

So I am satisfied that the information that was made available to Ms C, both directly on the application webpage, and in the links that she was asked to read, was sufficient to explain the restrictions on adding monies to the ISA more than 60 days after it had been opened. So I think that the information made available to Ms C should be considered to be clear, fair, and not misleading.

I have noted that as part of its response to Ms C, Halifax offered as a goodwill gesture the opportunity for her to make an additional payment to her ISA. Ms C says that she tried to make that payment, but it was again rejected.

Halifax's offer to Ms C, for the opportunity to make an additional payment to her ISA, required her to first get in touch with its complaint handler. I have seen that Ms C has said that she tried to call the complaint handler on a number of occasions but was unsuccessful in getting in touch. I appreciate that would have been frustrating for Ms C.

But since, as I have explained above, I don't think Halifax did anything wrong when Ms C opened the account, I don't think it reasonable to require Halifax to allow Ms C a further opportunity to add funds to her ISA. So the offer it made, as a gesture of goodwill, isn't something I can require Halifax to honour. I have no reason to think that Halifax deliberately prevented Ms C from getting in touch. So I don't intend to make any directions about Halifax allowing Ms C to make any additional contributions.

In summary, I am satisfied that Halifax made sufficient information available to Ms C about the way the ISA operated before she opened the account. So I don't think Halifax has done anything wrong, and so I don't uphold Ms C's complaint.

My final decision

For the reasons given above, I don't uphold the complaint or make any award against Bank of Scotland plc, trading as Halifax. Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 30 April 2024.

Paul Reilly

Ombudsman