

The complaint

Mr O is unhappy that Bank of Scotland plc, trading as Halifax, closed his account without providing any notice that they were doing so.

What happened

In November 2023, Mr O visited a Halifax branch. Following that branch visit, Halifax made the decision to close Mr O's account with immediate effect, but because Halifax didn't have Mr O's account details to hand, they were unable to do so at that time.

When Mr O visited the branch again the following month, Halifax's branch staff were able to confirm his account and arrange the immediate closure of it. Mr O wasn't happy about this. So, he raised a complaint.

Halifax responded to Mr O and confirmed that their decision to close his account wouldn't be changed. Mr O wasn't satisfied with Halifax's response, especially as he didn't then receive the cheque for the account balance that Halifax sent him following the account closure. So, he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel Halifax had acted unfairly in how they'd managed the situation and so didn't uphold the complaint. Mr O remained dissatisfied, so the matter was escalated to an ombudsman for a final decision.

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 done so, I'd like to begin by confirming that this service isn't a regulatory body or a Court of Law and doesn't operate as such. Instead, this service is an informal, impartial dispute resolution service. And while we do take relevant law and regulation into account when arriving at our decisions, our remit is focussed on determining whether we feel a fair or unfair outcome has occurred – from an impartial perspective, after taking all the factors and circumstances of a complaint into consideration.

I also note that Mr O has provided several detailed submissions to this service regarding his complaint. I'd like to thank Mr O for these submissions, and I hope he doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead, I've focussed on what I consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Mr O notes that I haven't addressed a specific point he's raised, it shouldn't be taken from this that I haven't considered that point – I can confirm that I've read and considered all the submissions provided by both Mr O and Halifax. Rather, it should be taken that I have considered that point but that I don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

Mr O and Halifax disagree about what happened during Mr O's branch visit in November 2023. Halifax say that during that visit, Mr O was unhappy that Halifax wouldn't reimburse the cost of an item he'd purchased from an online retailer and returned to that retailer, and for which the retailer hadn't refunded the purchase price to him. Halifax say that Mr O was rude and abusive to one of their staff members and that security had to be called to escort Mr O from branch. Conversely, Mr O denies that he was rude and abusive during the branch visit and is unhappy that Halifax made the decision to close his account.

In circumstances such as this, where the testimonies of the complainant and respondent business sit in contradiction to one another, I must decide which of the two versions of events I feel is most likely to have happened, on balance, and in consideration of all the information available to me.

In this instance, I find Halifax's position to be the more persuasive. There are several reasons for this, including the detailed recollections of Halifax's branch staff which I feel are more likely than not to be accurate. I also note that Mr O had been a customer of Halifax's for many years, and so I don't feel that Halifax would have made the decision to close his account without reasonable cause. Finally, I also note that during the time that Mr O's complaint has been with this service, his interaction with our own investigator has become, in my opinion, increasingly rude and aggressive, which I feel adds some credence to Halifax's testimony about Mr O's behaviour while in branch.

Halifax's terms and conditions allow them to close an account with immediate effect if the account holder is rude and abusive towards their staff, with the relevant term reading as follows:

"We can end this agreement (or account, benefit or benefits package or service) without telling you in advance if we reasonably think that:

...

You are or may be behaving improperly. This includes being abusive or threatening to our staff..."

Given these terms and given that I feel it's most likely that Mr O was rude and abusive to Halifax's staff, I don't feel that Halifax have acted unfairly or unreasonably by closing Mr O's account in the manner that they did.

Mr O has said that the terms he agreed to when he opened the account many years ago didn't include the terms quoted above, and that he's never been advised by Halifax that their terms have updated.

But Halifax have demonstrated to my satisfaction that they sent letters to Mr O's online inbox advising of him in advance of changes to their terms and conditions. And so I feel that Mr O was notified in advance of the change to the relevant terms, contrary to his belief. And I also feel that it's fair that Halifax should be allowed to close an account with immediate effect if an account holder is rude and abusive to their staff.

Finally, Mr O is unhappy that he hasn't received the cheque for the balance of his account at the point of closure that Halifax sent to him, and he'd like Halifax to reopen his account so that he can withdraw the money himself.

I won't be instructing Halifax to reopen Mr O's account as he would like as I feel that the closure of the account by Halifax wasn't unfair. I'm also satisfied that Halifax did send a cheque for the balance of the account to Mr O and that it was correctly posted to the address

which Halifax had on record for Mr O at that time. I appreciate that it's frustrating for Mr O that he didn't receive that cheque, but I wouldn't hold Halifax accountable for the non-delivery of correctly addressed mail, given that the delivery of mail is undertaken by a postal service over which Halifax have no direct control.

I also note that Halifax recently reissued the cheque to Mr O but that letter containing the cheque was returned to Halifax by the postal service. As such, I feel that it's now for Mr O to confirm his address with Halifax to their satisfaction so that they can return his money to him. And I'm also satisfied that it's fair that the only avenue for the return of Mr O's money is posted cheque.

All of which means that I won't be upholding this complaint or instructing Halifax to take any further or alternative action here. I realise this won't be the outcome Mr O was wanting, but I trust he'll understand, given what I've explained, why I've made the final decision that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 25 July 2024.

Paul Cooper
Ombudsman