

The complaint

Mr M has complained about the closure of his credit card account with Bank of Scotland plc, trading as Halifax.

What happened

Mr M had a credit card account with Halifax. However, it decided to close it. Mr M thinks this was done following a call he had with a particular representative, who I'll refer to as 'S'. Mr M feels that S was rude on the call and had a vendetta against him, because she'd also closed other accounts he held with Halifax.

Further, Mr M has explained he was trying to make a transaction, but it failed. It was because of this that he discovered his account had been closed, as he'd had no notification that it was happening.

Halifax accepted that it should have given Mr M the necessary notice that it was closing his account, in line with the account's terms and conditions. It offered Mr M £150 compensation in recognition of this.

One of our investigators looked into what had happened. He was satisfied that Mr M had been able to make the failed transaction using another method, so he hadn't lost out. But, it was this that prompted Mr M to contact Halifax, whereupon he discovered his account had been closed. That said, he could see that Mr M's May 2023 statement had stated the account was closed, so Mr M should reasonably have known this.

He also considered whether the account had been closed as part of a vendetta against Mr M. He didn't agree it had. And he explained that Halifax isn't required to give the exact reasons for the closure, in line with the Lending Standards Board standards of lending practices. Taking everything into account, he felt that the £150 compensation offered was fair in the circumstances.

Mr M disagreed. In summary, he said that he feels the closure was unfair and it came completely out of the blue.

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've carefully considered all of the submissions made by both parties, including the recent recording of a call between Mr M and our investigator, where he set out his concerns. I thank him for his time in doing so. Although I've taken everything into account, I will refer in this decision to what I feel goes to the heart of the complaint, to ensure I reach a fair conclusion.

Mr M has accepted much of what our investigator said. But where he feels he'd like a fresh pair of eyes, is that the closure came out of the blue, with no warning. So, I will focus on this. I do understand Mr M's frustrations. But, Halifax was entitled to close the account, and this is

what it did. He's explained that Halifax made no attempt to reach out to him to talk about things before this, and I accept that - but, it wasn't required to.

Where I do think things went wrong, is that it didn't send a letter giving the two months' notice. This was unfair, and led to Mr M having the embarrassment of a declined transaction, and the worry that perhaps there had been a fraud on his account. I can see that Halifax has accepted this, and offered £150 compensation. I'm satisfied that this is in line with awards our service may make in similar situations, and I think it's fair. And I've seen no evidence that the account was closed because of a personal vendetta.

So, although I can understand why Mr M is unhappy, I don't think Halifax needs to do anything further. That said, it should pay him the £150 compensation if he'd like to accept it (and if it hasn't already).

My final decision

For the reasons given above, it's my final decision that Bank of Scotland plc, trading as Halifax, has done enough to put things right by awarding Mr M £150 compensation. I leave it to him to decide whether he'd like to accept this, if he hasn't already received it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 November 2024.

Elspeth Wood
Ombudsman