

The complaint

Mrs D is unhappy that she was unable to settle her loan account with Bank of Scotland trading as Halifax in one payment due to Faster Payments limits. She also complains that Halifax's telephone agents were unhelpful when she rang for advice.

What happened

Mrs D took out a loan with Halifax. Shortly after taking out the loan, she asked for an early settlement figure to settle the loan in full.

Halifax provided an early settlement figure of £50,352.46.

Mrs D wanted to make one payment to settle the loan. However, when she tried to do this online, she was unable to do so because of an online transaction limit of £25,000. Mrs D found herself in a situation where she was required to make the full payment in order to settle the loan, but the system wouldn't allow her to make the full payment.

Mrs D called Halifax for help. She says she was transferred from one person to another until eventually it was agreed that she would make three separate transactions on three consecutive days to settle the loan.

Having made the three payments, Mrs D wanted to check that they had gone through and that the loan was settled. When she called Halifax, they told her that her loan account would close in a few days and a final statement would be sent around two weeks later .

Mrs D complained to Halifax. She was unhappy with the level of service she had received and the time she'd had to spend trying to resolve the issue of how to settle the loan.

Halifax didn't uphold the complaint. It said that it was industry practice to have a Faster Payments limit and that Halifax was in line with its competitors. Halifax said that although the Faster Payments limit was set at £25,000 online, Mrs D could have paid £10,000 via Faster Payments over the phone and up to £250,000 in branch. Halifax said that Mrs D could also have paid with a debit card up to £99,000. Halifax acknowledged that Mrs D had found the process inconvenient but said it hadn't made an error.

Mrs D remained unhappy and brought her complaint to this service.

Our investigator didn't uphold the complaint. He said that he appreciated that Mrs D would've found it convenient to make one payment online but said that the limitations in place were part of Halifax's process, which they were entitled to follow.

Mrs D didn't agree. She felt that her complaint had been misunderstood. She said she wasn't complaining that she had to make three separate payments but was complaining that things didn't work in the way Halifax said it would. She said she'd had to call Halifax several times and had been given incorrect information and had spent hours on the phone. Mrs D didn't feel that this had been taken into consideration.

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 reviewed the early settlement figure which was provided to Mrs D in a letter dated 21 March 2024. This states that the sum required to settle the loan early is £50,352.46 and that the quote is valid until 20 April 2024. The letter also states that the loan can be settled by making payment by debit card over the phone or online using the loan closure tab.

Mrs D has said that she went onto online banking and tried to pay the early settlement figure in full. However, she wasn't able to do so because of the transaction limit.

I've reviewed the information which is available on Halifax's website about Faster Payments online (FPO). This states that there is a daily limit of £25,000 online, a daily limit of £10,000 by phone and a daily limit of up to £250,000 in branch (with valid identification).

I understand that it caused some inconvenience for Mrs D when she found that she couldn't pay the early settlement figure online. However, I'm unable to say that Halifax made an error, because the online limit is clearly set out on the website and is a process followed by Halifax with which this service can't interfere.

Mrs D contacted Halifax and went on to settle the loan by three payments, comprising two FPO of £25,000 on 22 March and 24 March 2024 and a debit card payment of £352.46.

Mrs D has said that she isn't complaining about the fact that she had to make three separate payments. But she's said that when Halifax arranged for her to make the three separate payments, it didn't work, which led to Mrs D spending more time waiting on the phone to speak to an advisor.

I understand how frustrating this must've been for Mrs D. I haven't been provided with specific details of what the issue was when Mrs D tried to make the separate payments but from what I've seen, it was something to do with the fact that she was making a payment to a loan account. I appreciate that knowing the reason for the issue won't reduce the frustration that Mrs D feels about the length of time she's spent on the phone. Unfortunately, call wait times are something which are largely outside of the control of Halifax, as it can't predict how many customers will try to call on a particular day.

I haven't been able to listen to the content of the calls between Mrs D and Halifax. However, even if I accept that incorrect advice was given which led to Mrs D's first attempt at making the separate payments being unsuccessful, the issue appears to have been resolved swiftly and I can see that the loan had been settled by 24 March 2024, which was only 3 days after the settlement quote had been provided. So, I can't say that the call wait times and the incorrect advice caused a significant delay.

Taking everything into account, I haven't seen any evidence to suggest that Halifax made an error or treated Mrs D unfairly or unreasonably. I appreciate that Mrs D spent a long time on the phone trying to resolve matters but I'm not persuaded that this warrants compensation.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 6 September 2024.

Emma Davy
Ombudsman