

The complaint

Mrs B on behalf of her daughter Miss B complains about how Bank of Scotland plc trading as Halifax has dealt with an account transfer.

What happened

Miss B applied to transfer her Individual Savings Account (ISA) from Halifax to a different provider. The application was made in March 2023 and wasn't actioned by Halifax. The process has had numerous problems which has resulted in numerous visits by Miss B's family to a Halifax branch, numerous calls to Halifax and the new account being closed by the new ISA provider. On one occasion a branch visit took two hours and there has been a loss of interest.

Halifax agrees it provided poor service and paid £100 compensation to Miss B and her brother. It has apologised and says the problem was caused by not having a parental signature on its records, which it accepts was also its mistake.

The complaint was brought to us, and our investigator upheld the complaint. The investigator thought Miss B should be paid in total £125 compensation which is an increase of £75. The investigator also recommended interest be reimbursed from the application date in March 2023 until transfer.

Miss B and her family initially accepted that view and provided Halifax with new transfer forms as well as evidence of the interest rate offered by the new ISA provider.

Halifax also accepted that view.

Miss B's family says the transfer has not been actioned and the new provider has again closed the account. They say no interest has been paid by Halifax and have asked that an ombudsman review the complaint.

My provisional decision

I issued a provisional view about this complaint and said that Halifax should increase its compensation offer and that I didn't think £125 compensation was fair and reasonable in these circumstances.

I made clear to the parties that I could only deal with the events that Halifax has investigated and not any new complaint points. I said that as there may be a new complaint about the events that have taken place after Halifax agreed to pay compensation, interest and transfer the account. I said I can't deal with those new events in this decision, as Halifax must be given an opportunity to investigate them and clarify if the account/money still has ISA status.

I said the circumstances here were well known to the parties and there was no real dispute about them. So, I said there was no need for me to set out in detail what took place. But I accepted this issue took a significant amount of time to sort out and required Miss B's family to attend a Halifax branch on numerous occasions as well as making numerous telephone

calls to resolve what I thought ought to have been a straightforward issue. I had no doubt a significant level of distress and inconvenience was caused here.

I didn't think £125 compensation was fair or reasonable for this complaint or that it reflected the length of time it had taken. I also thought it took Halifax some time to identify the core problem about the signature. I was satisfied that Miss B and her family also had to spend time speaking to the new ISA provider which was caused by Halifax's mistake and that the applications had to be renewed.

I said that Halifax should pay £250 to Miss B which I thought was fair and reasonable and in line with the type of awards we make for a significant issue taking a significant time period. And for multiple occasions of different types of inconvenience.

I appreciated that Halifax wished to wait until the transfer to pay any interest difference. But I thought in the circumstances that ought to be calculated and paid. I could see that Halifax has details of the interest rates and ought to be able to confirm what the up to date position was with the applications.

I hoped Miss B's family could also provide an update in respect of the transfer.

Overall, my provisional view was that Halifax should increase the compensation amount for the reasons I set out.

Mrs B has replied to my provisional view and says that she agrees with the compensation increase. She says the transfer has been completed but disagrees with the issues around the signatures.

Halifax doesn't make any representations about the compensation but hasn't provided details of the interest back calculation.

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 have come to the same overall view that I reached in my provisional decision and for the same reasons. I appreciate we can't answer every question or complaint point, in this case about the signature background.

Putting things right

Halifax has not provided details of any interest difference which it should now calculate and pay Miss B as it said it would. I am satisfied it has details of the interest rates and dates it should use to calculate that payment which is from March 2023 until the transfer date. It should also pay £250 in total compensation.

My final decision

My final decision is that I uphold this complaint and order that Bank of Scotland plc trading as Halifax should pay Miss B a total of £250 compensation. It should also calculate and pay the backdated interest as it agreed to do.

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

David Singh
Ombudsman