

## **The complaint**

Ms L complains Bank of Scotland plc trading as Halifax unfairly closed her account and provided her with poor service.

## **What happened**

The facts of the complaint are well known to both parties, so I will only provide a summary of the key points.

Ms L held a Halifax account which was reviewed in early 2024. Following this review Halifax made the decision to end its banking relationship with Ms L. It issued her a notice to close letter which explained the account would close on 22 March 2024. Ms L's account operated as normal until the closure.

Ms L switched providers in late February 2024. Ms L also raised a formal complaint about the closure of her account. Halifax explained the account had been closed in line with the account terms and conditions.

Unhappy with this response Ms L referred her complaint to this service. An Investigator reviewed the complaint, and in summary, made the following findings:

- Halifax has acted in line with the account terms and conditions by closing the account immediately.
- The information provided by Halifax to this service in confidence shows it had reasonable grounds to close the account in this way.
- Halifax isn't under an obligation to provide further details to Ms L.
- The incident in branch didn't seem to be malicious and was most likely to be a genuine mistake.

Ms L remained unhappy and maintained Halifax had acted unfairly. The case has been referred to me – 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.

Firstly, I am sorry to see Ms L has had cause for complaint and the impact the account closure has had on her. I can see she feels strongly that she has been treated unfairly. Having looked at the complaint fully, my review of the evidence has led me to the same overall conclusions as the Investigator previously set out and for much the same reasons. I will explain why.

As a UK financial business, Halifax is strictly regulated and must take certain actions in order to meet its legal and regulatory obligations. It's also required to carry out ongoing monitoring of an existing business relationship. That sometimes means Halifax needs to restrict, or in some cases go as far as closing, customers' accounts.

Halifax has explained and given me information to show why it reviewed and closed Ms L's account. Having carefully considered this, I'm satisfied Halifax took these actions in line with the obligations it must adhere to. In addition, Halifax is entitled to close an account just as a customer may close an account with it. But before Halifax closes an account, it must do so in a way, which complies with the terms and conditions of the account. The terms and conditions of Ms L's account allow for closure following a notice period, as set out in the account terms.

I know Ms L feels Halifax has acted unfairly given the lack of information provided to her about the closure. Ultimately Ms L would like a detailed explanation as to why Halifax took these actions. But Halifax isn't under any obligation to provide this. Further the fact Ms L is a long-standing customer isn't a factor Halifax can be reasonably expected to take into consideration when deciding to close an account. I've also noted Ms L's comments about her personal history and previous employment, but I also don't think these are factors which means Halifax ought to have acted different. Ultimately Halifax's regulatory duties and terms of the account are the key decision making factors.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from regulated businesses' as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Halifax has provided is information we consider should be kept confidential. Having carefully considered this information, I'm satisfied Halifax acted appropriately and in keeping with its regulatory duties.

Ms L says Halifax's decision to close her accounts caused her significant distress and inconvenience. The decision to close a bank account immediately can't be taken lightly given the impact it can have on a customer. I can see Ms L was given notice of the closure and ample time to make alternative arrangements – and an account switch occurred before the closure. Ms L was also able to use the account as normal until closure. I do appreciate this matter would've caused Ms L difficulty, as Ms L appears to have used the account regularly but I can't see the closure had a detrimental financial impact on Ms L or caused her inconvenience above what we would normally expect in these circumstances.

As part of the complaint Ms L referred to our service, she explained that when she attended branch she was treated poorly as she was misgendered multiple times. As part of our review further information was obtained from Halifax and its staff members about this incident.

There is no CCTV footage of Ms L's visit to branch. I've therefore thought carefully about Ms L's comments alongside the comments of branch staff. In situations where there is conflicting evidence, I must consider what I think is most likely to have occurred based on the available evidence. Although I can't be certain of how events unfolded and what exactly was said, I am persuaded that Ms L was most likely misgendered. I'm unable to comment on the number of times this happened, but do I appreciate this must've been upsetting for Ms L. Halifax has apologised for any upset caused to Ms L by staff during this branch visit. This is the response I would expect from Halifax, especially as this appears to have been an isolated incident. So, I don't consider it necessary for it to take any further steps to address this issue.

I know my answer will be disappointing to Ms L, who strongly believes she has been treated poorly by Halifax. I can understand why Ms L feels this way, but having looked at all the evidence, I'm satisfied Halifax acted fairly. I hope that it helps Ms L to know that someone impartial and independent has looked into her concerns.

**My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 8 January 2025.

Chandni Green  
**Ombudsman**