

The complaint

Miss L complains about the actions of Bank of Scotland plc trading as Halifax (Halifax) after the maturity of a Junior Individual Savings Account (JISA). Miss L is represented by a third party but for ease of reading, I will generally refer to Miss L.

What happened

The full details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll attempt to recap the key points and focus on giving the reasons for my decision.

In June 2020, the JISA matured and Halifax sent notification of this to the address in file they had for Miss L. Within the notification, Halifax explained that the account would become an adult ISA, and would need to be activated by Miss L providing ID and her national insurance number at a branch. Between maturity and August 2022, Halifax sent numerous letters as reminders. Miss L decided to transfer the ISA to another provider, converting it to a stocks & shares ISA but Halifax couldn't process the request as Miss L hadn't submitted the necessary documentation. Around January 2023, Miss L had provided what was required and the transfer of the ISA to the other provider was eventually completed in March 2023.

As a result of what happened, Miss L complained and Halifax responded to apologise they had not given better service, including not being clear as to the issues around the ISA transfer. They explained what had happened and offered £150 as compensation, plus they would consider covering interest for a specified period.

There then followed a prolonged period of time in which Miss L liaised frequently with Halifax and brought the complaint to our service. In July 2024, Halifax wrote to our investigator and offered a further £150 compensation for the distress and inconvenience caused by them not responding to Miss L. Halifax also offered to cover any loss of investment for the period between when they should have sent the ISA transfer, and when they did actually send it.

Miss L accepted the compensation offer of £300 but disputed dates and figures for the ISA transfer, saying Halifax should have done more when she visited branch.

Our investigator then issued their view in which they found Halifax's offer as fair which Miss L accepted. But only on condition that a named member of staff at Halifax dealt with intended account closures (a decision made due to the poor service), and Halifax provided the figures for the loss of investment.

Halifax agreed to the staff member aspect, but said they could not provide the investment loss figures, despite Miss L providing sufficient associated paperwork from her end. The complaint was then passed to me as an Ombudsman for a decision and after our service completed the necessary investment research, I established that due to a lower share price when the transfer was eventually completed, there was no investment loss.

I then wrote to both parties with this finding, plus a recommendation that this long-standing complaint could be settled informally with an additional £100 compensation, bringing the

total to £400. Whilst Halifax accepted this, Miss L did not. She said that she was still very unhappy with Halifax and how they had handled this whole matter; to the extent that she wants them to be penalised and that they should be stopped from doing this to anyone else.

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 have looked at the information Halifax has supplied to see if it has acted within its terms and conditions, and to see if it has treated Miss L fairly.

If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach. I do also want to acknowledge the thoroughness of the view that our investigator issued and consequently, I see no benefit in going into detail about certain concerns, as this has been done more than competently in the view.

What's not in question is that errors were made, including poor communication, significant delays, and unresponsiveness. I'm pleased to see that Halifax have apologised, taken ownership, and attempted to award suitable compensation. And whilst I cannot force Halifax to do so, I do hope that Halifax sees this complaint as an opportunity to review what's happened here, including the extended timeframe, and take the relevant learning points.

To Miss L's wish that Halifax are penalised for how they have treated her, this isn't something within our powers although it may be something a court may consider. Similarly, I know Miss L feels strongly that this should not be allowed to happen to any other customer of Halifax, but this service cannot enforce that.

In response to a plea that Miss L made that she wished this complaint to be published, I did want to give her the reassurance that as this is an Ombudsman final decision, it will be.

Miss L has mentioned lost interest on the ISA transfer, saying this remains outstanding. It's already been established that there was no investment loss, and in terms of any missed interest, I do believe that the compensation total mentioned below will address any interest concern.

Moving on to compensation, as an informal dispute resolution service, we consider awards according to what we consider to be a fair and reasonable reflection of the impact the distress and inconvenience has had upon the consumer. And so, what I wanted to understand was the impact on Miss L, whether their offer is considered as fair, and also look at it through the lens of this service's compensation guidelines and similar cases. In view of what has happened, I maintain my stance that in addition to the £300 already offered, an additional £100 is appropriate to give a total of £400.

In conclusion, acknowledging Halifax's errors and their subsequent actions, other than compensation, I cannot require it to take any further action.

My final decision

For the reasons I have given it is my final decision that the complaint is upheld. I require Bank of Scotland plc trading as Halifax to promptly pay Miss L a total of £400.00 compensation, less any amounts already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 21 March 2025.

Chris Blamires
Ombudsman