

The complaint

Ms O has complained that Bank of Scotland plc trading as Halifax gave her incorrect information about the cancellation of a cheque.

What happened

On 23 October 2024 Ms O wrote a cheque for £570 to pay for a service. The payee received the cheque the next day. On 26 October Ms O became aware that the service she'd received wasn't acceptable, so she contacted Halifax and asked it to cancel the cheque. She was told that the cheque had been successfully cancelled.

On 28 October the cheque was paid and Ms O's account was debited with £570.

Ms O complained to Halifax. It said that the cheque was already going through processing by the time she tried to cancel it and so it couldn't have been cancelled. It apologised for the fact she'd been given incorrect information and paid her £50 compensation for this.

As Ms O didn't think this was sufficient, the complaint was referred to this service. Our Investigator didn't think Halifax was at fault in failing to cancel the cheque. He thought the amount of compensation offered for the incorrect information was fair. As Ms O didn't agree, the matter has been referred to me.

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.

Halifax has shown that the cheque was paid in by the payee on 25 October. It says that under the rules which govern the clearing of cheques it would have been too late to cancel the cheque on 26 October. That doesn't appear to be in dispute.

But Ms O was incorrectly told that the cheque had been cancelled. So I can understand her disappointment when she found out this was not the case. That left her in a weak position to claim a refund for the payee's poor service. But that's a problem which she would have had anyway and an issue between Ms O and the payee. I can only award compensation for the error which Halifax made. The error was in giving her incorrect information about the cancellation of the cheque.

Having considered the matter carefully and the impact of the mistake on Ms O, I think the £50 compensation paid by Halifax was fair and reasonable in the circumstances. It's in line with what I would have awarded if the offer hadn't been made. I won't require Halifax to do anything else to resolve this complaint.

My final decision

For the reasons given above I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 30 January 2025.

Elizabeth Grant
Ombudsman