

The complaint

Ms B is unhappy that the Bank of Scotland plc trading as Halifax didn't update her Childrens' accounts with a new address.

What happened

Ms B holds a sole account with Halifax, and she is also party to her two children's accounts.

When she moved house, Ms B gave Halifax the new address. But while her personal account was updated, the children's accounts weren't. As a result, statements were sent to the wrong address.

When she contacted Halifax, it said it would put things right. But a further statement was sent to the old address. Ms B complained, but Halifax didn't uphold the complaint, so she referred her complaint to this service.

When it submitted its complaint file to us, Halifax acknowledged – having reviewed the complaint again, it had found a problem within its system which meant the children's accounts hadn't been updated with the new address. But it confirmed that this had now been put right.

Our investigator upheld Ms B's complaint. He thought Halifax should pay Ms B £100 compensation in recognition of the distress and inconvenience caused.

Halifax accepted the investigators recommendation, but Ms B didn't. She said Halifax's failure to update the address was a breach of conduct and she was in fear of her, and her Children's, personal data being stolen and misused. And that in a previous complaint she had received £150 compensation.

The investigator explained that he had reviewed this complaint on its own merits. And as Ms B had told us that she had had a postal redirection service in place, he was of the view that Ms B's (or her children's) personal data hadn't been wrongly disclosed.

Ms B responded to say that using a postal redirection service didn't mean that Halifax hadn't broken the law. And she was only able to find out that Halifax hadn't updated the address because she was using the postal redirection service. She also said that since Halifax had said it had put things right it had she had only received one of her Children's statements correctly addressed.

As agreement wasn't reached, the complaint was passed to me to decide.

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've reached the same overall conclusion as the investigator for the same reasons. I'll explain why.

Firstly, I should explain it not the role of this service to make a finding about whether a business has broken data protection laws. That's the role of the Information Commissioners Office (ICO). Our role – when something has gone wrong, is to decide whether that mistake has led to the consumer suffering a financial loss and/or material distress and inconvenience. And, if so, to award compensation to put right any loss and/or fairly recognise the distress and inconvenience caused.

There is no longer a dispute that Halifax failed to correctly update the address on Ms B's children's accounts. And since my involvement, Ms B has confirmed she has now safely received both children's correctly addressed statements. So, I find the error has now been rectified.

Ms B hasn't said she has made a financial loss because of the error. So, what's left for me to consider is the distress and inconvenience this matter caused Ms B and whether £100 compensation is fair and reasonable in all the circumstances.

Ms B has told us that she was using a postal redirection service after she changed address. And she hasn't disputed that her children's statements were delivered to her new address as a result. I acknowledge Ms B's point that had it not been for the redirection service she wouldn't have been aware the address hadn't been updated correctly and that the statements may have gone astray. But I can only address what happened not what might have happened. And, as the statements were delivered to the right address, I'm not persuaded that Ms B's (or her children's) personal data was at risk of being compromised.

However, I'm persuaded that Halifax should have been able to identify the system issue when Ms B first brought the problem to its attention. And, because it didn't do so, it took Halifax longer than it should have to put its mistake right. So, I am satisfied Ms B has been caused some unnecessary inconvenience. On balance, I find that £100 compensation fairly recognises the inconvenience Ms B experienced in having to contact Halifax on more than one occasion and ultimately bring the complaint to this service before the problem was resolved.

My final decision

For the reasons given above, I uphold this complaint. Bank of Scotland plc trading as Halifax should now pay Ms B £100. Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 19 February 2025.

Sandra Greene
Ombudsman