

The complaint

Mr R complains Bank of Scotland plc trading as Halifax took 13 weeks to send him a replacement debit card. He also complains about the customer service he received during this period.

What happened

Mr R explained he lost his Halifax debit card in April 2024 so contacted Halifax for a replacement card. Mr R lives abroad so explained the new card would need to be sent to an address in Europe. Mr R describes waiting 17 days, but the new card did not arrive. He explained he contacted Halifax and it told him it had '*forgotten*' to send his new debit card and would now send one.

Mr R explained a few days later he received a Halifax credit card, not a debit card. He contacted Halifax again and ordered another debit card. Mr R describes this process happening six times, where he ordered a new card, waited for it, but it didn't arrive.

Mr R detailed the hardship he faced, explaining he lives in Europe and had no access to funds during this 13 week period. As a consequence of not having a debit card, all the services to his home were cut as he was unable to pay bills. He therefore had to move out of his home for nine weeks and described the impact this had on him, including losing all of his frozen food. He described having no money to buy essentials, including food, and having to rely on friends to house him, feed him and buy items for him during this time.

Halifax said Mr R first told it about his lost debit card on 18 April 2024. Halifax therefore cancelled his card and updated address details for him before issuing him a new one. Halifax provided evidence from its systems showing it first ordered a new card for him on 14 May and sent it out on 17 May. Halifax subsequently ordered another new card for Mr R on 3 June which was cancelled on 3 July as it had not arrived. A further card was ordered, which also appears to have not arrived, a final card was issued on 18 July which shows as being active and in use.

Halifax explained it couriered the final card to Mr R as a one-off exception so it could track the delivery and ensure it arrived.

Halifax accepts it failed to post the first replacement card, stating this was caused by a '*system error*'. Halifax also accepts it then sent Mr R a credit card instead of the debit card in error. It apologised for this, accepting it had left him in a difficult position and made a payment of £400 in recognition of this.

Halifax also accepts it should have offered Mr R more support during this period as he was unable to access cash for an extended period of time. Halifax apologised and offered an additional payment of £300. It also paid Mr R £1,500 for expenses incurred during this period and cancelled the interest he had accumulated on the purchases he had had to make on his credit card. Halifax also paid a further £100 compensation after it sent Mr R a new PIN letter which did not have a PIN printed on it.

Halifax advised Mr R to consider opening a bank in the country he now resides, explaining Halifax can't guarantee the same level of service to customers that live overseas as per its terms and conditions which state; '*If you move abroad and no longer live in the UK we may*

not keep your account open or continue offering you the same level of service or account benefits.'

Our investigator thought Halifax offer was fair and it had done enough to compensate Mr R for the issues he had with his debit card. They explained they thought Mr R could have mitigated some of the effects of not having a debit card, such as using phone banking to transfer funds to friends he was staying with, but accepted Halifax should have done more to support him. They also thought Halifax weren't responsible for all the failed cards, suggesting the evidence shows they had been sent and the problems were more likely to be a postal issue once cards had been sent.

Mr R responded to our investigator's recommendation. He explained he had spoken with his local post office who denied there were any issues with post locally. Mr R also gave further details about the circumstances he lived in for this period, including having to sleep on a friend's couch and use their laundry facilities. He also reiterated he is in his late 70s and struggles to walk. Mr R doesn't think the compensation offered recognises the severe inconvenience and distress he faced during this period. Mr R said he didn't believe Halifax had sent the cards and requested further evidence they had been sent.

As Mr R disagreed with our investigator's recommendation, his complaint has been passed to me to make 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.

I was very sorry to hear about the circumstances Mr R explained he found himself in due to Halifax not sending out a new debit card, and I can understand it must have been an extremely difficult time for him.

I appreciate how strongly Mr R feels about his complaint. Although I may not mention every point raised, I have considered everything but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

Where evidence is incomplete, inconclusive or contradictory, I have to make decisions on the balance of probabilities – that is, what I consider is more likely than not to have happened in light of the available evidence and the wider surrounding circumstances.

The issues are well known to both parties and mostly not in dispute, so I don't think there is any benefit in repeating in detail the full circumstances here. Halifax has accepted its service fell below the standards it expects and has apologised and offered compensation for the issues both parties have outlined.

I am satisfied the main outstanding issue for me to determine is whether the compensation offered is in line with what our service would expect considering all of the circumstances.

However, there is one issue which does remain in dispute where I need to make a finding, this is whether I am persuaded Halifax sent the second debit card and all other debit cards until the one Mr R received by courier.

Our service is an informal service which makes determinations on the balance of probabilities, that is, what I consider to be more likely than not. I understand Mr R has asked for detailed evidence of the posting of the various cards. However, Halifax has provided details from its systems showing cards were ordered, created and posted. I can also see letters sent by Halifax to Mr R during this period did arrive. This supports Halifax were using the correct details for Mr R.

The issue for me to decide is whether I am satisfied the evidence provided is sufficient for me to accept Halifax did indeed post these cards. Having considered this evidence, I am

persuaded it is more likely than not the cards were posted. I cannot account for why they did not arrive with Mr R, but I do think it is reasonable to conclude it is more likely for post to go missing when travelling internationally. Our service certainly regularly sees complaints where post has gone missing, so for these reasons, I do not think it is fair or reasonable to hold Halifax fully responsible for these issues.

Secondly, I have carefully considered the detail Mr R has provided regarding having to leave his home and the detriment this had on him. I have no reason to doubt his account and can appreciate this must have been difficult for him. I also agree Halifax should have done more to assist Mr R at this time.

I also have to consider whether I think Halifax are responsible for the full extent of the issues Mr R suffered. Mr R is living abroad in what appears to be a relatively remote area from the details he has provided. He did not appear to have a local bank account and was relying on a UK service to provide him with services abroad. I do think there is some mitigation here on Halifax, as it appears Mr R had little arranged in the way of contingency should issues occur with his UK account, such as being able to visit a branch, bearing in mind the terms and conditions cited above. I am pleased to see Mr R has since enquired about opening a local bank account.

Our service awards compensation in line with guidance published on our website. Mr R has not provided our service with details of any financial loss he suffered, I appreciate it may have been difficult to evidence in the circumstances, and I am satisfied it is likely he did suffer some.

The total compensation Halifax has paid Mr R is £2,300. I have not included the interest payment on his credit card for approximately £70 but accept this has also been paid but was an obvious financial loss.

If we remove the other payment for financial loss of £1,500, Mr R has received £800 compensation for the impact of the distress and inconvenience this matter caused him. Our service would expect payment of a sum of this amount where a business's mistake has caused substantial distress, upset and worry – even potentially a serious offence or humiliation, including when there may have been serious disruption to daily life over a sustained period. Taking this into account, I don't think the compensation for distress and inconvenience for the issues highlighted is unreasonable, and I am satisfied it is in line with what our service would expect.

In terms of the financial loss £1,500 payment, we would expect Halifax to put Mr R back in the position he had been in had the issues not occurred. For our service to consider this in detail Mr R would have needed to provide some evidence of the expenses he has incurred over and above what might have been reasonably expected taking into consideration the full circumstances. I appreciate Mr R has expressed it is difficult to do this.

Having considered this sum carefully, I agree with our investigator. It appears Mr R didn't take action to mitigate the effects of losing his debit card for a protracted period. I therefore think, whilst Halifax undoubtedly do have some responsibility for the impact caused, I do not think I could reasonably find Halifax were fully responsible for all financial loss. Having considered this carefully, I don't think the £1,500 offered is unreasonable in these specific circumstances.

I appreciate Mr R will be disappointed with my decision, and I in no way wish to detract from what must have been an extremely difficult time for him. I trust I have explained my rationale in enough detail. I appreciate Mr R thinks a sum far greater than that offered is due to him. I would remind Mr R he does not have to accept my decision and may be able to pursue Halifax through court if he so wishes.

My final decision

For the reasons I have given it is my final decision that I do not uphold this complaint, I am satisfied Halifax has already done enough to compensate Mr R.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 19 February 2025.

Gareth Jones
Ombudsman