

## **The complaint**

Mr A complains that Bank of Scotland plc (trading as Halifax) defaulted his account.

## **What happened**

Mr A says he was in a payment plan for his credit card but, as he was making the payments manually, he missed a payment and Halifax defaulted his account. He says his disabilities were dismissed and if Halifax had made the consequences clear to him, he would have made the payment from his savings. Mr A adds that Halifax should have set up a direct debit and that it sent him £40 as a resolution to his complaint with no option to accept or decline it.

Halifax accepted that its customer service could have been better and paid Mr A a further £150 for this. It says that the default was correctly registered, but acknowledged the effect this had on him, and the fact he'd cleared his balance, and agreed to remove it.

Our investigator was satisfied Halifax had done enough to resolve Mr A's complaint and didn't consider it needed to do anything further.

Mr A responded to say, in summary, that he'd like to listen to the relevant call recordings as he says he mentioned his disabilities prior to the dispute over payment plans. He added that he considered £190 was inadequate for the substantial damage inflicted upon his life, including his financial stability, and his physical and mental health.

Mr A has now requested a Data Subject Access Request (DSAR) from Halifax in order to obtain any calls, and a separate complaint has now been set up to address his further concerns about the discrimination he says he experienced based on his disabilities.

## **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 need to clarify that this decision only considers Mr A's complaint about the default that he says was unfairly applied to his account. I acknowledge that Mr A has now raised wider issues about the discrimination he says he encountered, but Halifax needs to be given an opportunity to consider those issues before they are referred to this service.

I've seen evidence of Mr A's financial difficulties as a result of being made redundant in September 2019. During the next two years, Halifax offered Mr A various assistance, including putting holds on his account, freezing and refunding interest and short-term repayment plans. I consider Halifax responded positively and sympathetically in that respect.

In late 2021 Mr A spoke to Halifax on a number of occasions and, although another payment plan was initially agreed, Mr A subsequently said he wasn't happy with it. Halifax then wrote to Mr A in January 2022 to advise him that the plan had been broken and he should get in touch. This was followed, on 9 February 2022, with a default notice that said arrears should be paid by 27 February 2022 or the account would be defaulted. A further letter was sent to Mr A on 1 March 2022 as Halifax said it had heard nothing since issuing the default notice. A default was then registered later that month and Mr A complained shortly afterwards.

Halifax accepts there was a delay in reviewing Mr A's complaint and it wasn't reviewed until 2024, after he was paid £40 for poor service he'd received with respect to another complaint.

I have considered what happened in the lead up to the default and I'm satisfied that Halifax followed the correct process before it defaulted Mr A's account. I acknowledge it has now agreed to remove the default and has paid Mr A a further £150 for the poor service he received which resulted in the delay in addressing his complaint.

Although Mr A has raised additional issues surrounding how he was treated with respect to his disabilities, Halifax has said that this information was not recorded until March 2022. As a result, Mr A has requested all his call recordings, but as additional complaint points, I cannot incorporate any findings on those into this decision.

With respect to the removal of the default, and the payment of £150, I find that Halifax has responded fairly and reasonably to Mr A's original complaint about the registering of the default, and I don't consider it needs to do anything further in that respect.

Finally, I note that Halifax has confirmed that a DSAR was raised for Mr A on 17 February 2025 and that a separate complaint about the discrimination issues has now been set up.

### **My final decision**

My decision is that I find Bank of Scotland plc (trading as Halifax) has responded fairly and reasonably to Mr A's complaint about the default that was registered on his account.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 10 April 2025.

Amanda Williams

**Ombudsman**