

The complaint

Mr W complains that Bank of Scotland plc trading as Halifax (Halifax) was slow to send him statements on two savings accounts.

What happened

Mr W lives in the USA. He has two passbook savings accounts with Halifax, one in his sole name and one being a joint account with his brother. To comply with US tax laws he needed to obtain annual statements for the calendar year 2023 on both accounts – these to include all transactions; and interest paid. Mr W says that non-compliance with tax laws in the USA could lead to criminal action and civil fines, so he needed the request to be dealt with urgently. The US tax returns were due by 15 April 2024.

He first requested the statements by email on 4 April 2024. This was repeated on 7 April 2024 and 12 April 2024 – but without any response. After that, there were several exchanges of emails – but the summary was that Halifax said email wasn't a secure route to send confidential information such as statements. Mr W then raised a formal complaint with the bank.

Halifax's complaints department looked into what had happened and on 28 May 2024 sent a final response to Mr W. This said:

- The banks' policy was not to send statements by email – as this isn't considered a secure way of sending that information.
- Mr W's emails in April 2024 hadn't been dealt with as quickly as the bank liked.
- With the final response Halifax sent certificates of interest for the calendar year 2023 for the two accounts and said the full statements had been ordered – but these may take some time as they needed to be reconstructed for the passbook accounts.

Halifax apologised for the standard of service he'd experienced and paid compensation of £100.

Halifax sent the statements by paper mail to Mr W on 21 August 2024 and 23 August 2024.

Mr W brought his complaint to us. During our investigation, in August 2024, Halifax reviewed what had happened again. The bank said:

- They were sorry that (by that time) Mr W still hadn't received the paper statements and further copies were then ordered.
- As Halifax had made changes to its passbook savings accounts in January 2024; Mr W could now use internet banking to view transactions online.
- Halifax said they missed opportunities to deal with Mr W's issues more effectively and offered further compensation of £150, plus any reasonable expenses.

Our investigator said this was a fair way to resolve Mr W's complaint.

Mr W didn't agree and rejected the offer of £150.

Because Mr W didn't agree, his complaint has come to me to look at. He said:

- Halifax had not been willing to deal with matters by email, which was frustrating.
- It took from his first emails in April 2024 until September 2024 to receive the statements.
- During this time, he was concerned he wouldn't comply with US tax laws and be subject to civil fines and criminal charges.
- He said he had undertaken a trip back to the UK to find another bank which could better meet his needs at a cost of just over £1,000.

I reached a provisional decision which upheld Mr W's complaint and said Halifax should pay more compensation:

Mr W's initial frustration arose from the fact that Halifax were unwilling to deal with him by email and not send him the statements that way. At the outset let me say that this service doesn't regulate financial services businesses – that's the role of the Financial Conduct Authority (FCA). So – we can't make Halifax, for example, change their operating processes – that's for the FCA to decide. So – I can't make the bank deal with customer information by email.

But it is my role is to decide what's fair and reasonable in the individual circumstances of this complaint.

So – Halifax were entitled to say to Mr W that email is not a secure means of communication or way to send him statements – but I do accept that this led to a good degree of frustration for Mr W. Halifax asked him to telephone – in which case he could've been identified – to discuss his issues and complaint. But that proved to be impractical due to costs and time differences.

But aside from that, I do think that on balance, Halifax could've dealt more effectively with Mr W's requests:

- It took from 4 April 2024 to 23 August 2024 for the statements to be ordered and posted to Mr W in the USA. Mr W confirmed he received those around the end of September 2024. While I can't hold Halifax responsible for any postal delays, for the bank to take over four months to produce statements is not reasonable – even accepting there was a need to reconstruct them from the passbooks. I asked Halifax more about this. The bank couldn't say why it took so long, but said it was probably a processing problem that caused the delay.
- Halifax made changes to their passbook savings accounts in January 2024 – passbooks were withdrawn. I asked to see the letters that were sent to passbook customers. These reminded them that they could use internet banking. So, Mr W could've ordered statements, viewed them online, and corresponded with Halifax in a secure manner; all of which would've enabled this matter to be settled without the need for a complaint or for Mr W's frustrating experience.
- But in this case, Halifax didn't offer that as a solution (until the bank's final response on 28 May 2024) - and should have.
- During the time which passed, Mr W was left with the concern that he might be subject to legal action by the US tax authorities and I can see this must have been a worrying time for him. His emails to our service (and to Halifax) show very clearly his concerns.

Therefore, because Halifax didn't deal with his requests and provide solutions to him in a timelier way – when they did potentially exist – I consider it is reasonable to ask Halifax to pay more compensation. And given the circumstances and the impact on Mr W that I've described, I think Halifax should pay £300 (in addition to the £100 already paid) – this because Mr W caused considerable distress, upset and worry – with the impact lasting over many months. This is in line with our guidance for deciding compensation awards which is shown at:

<https://www.financial-ombudsman.org.uk/consumers/expect/compensation-for-distress-or-inconvenience>

Responses to the provisional decision:

Halifax agreed. And so did Mr W. He repeated a number of his complaint points but broadly accepted the findings. He thanked our service for getting involved to resolve his problems.

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.

As both Halifax and Mr W accepted the findings, my final decision is unchanged from the provisional decision.

My final decision

I uphold this complaint. Bank of Scotland plc trading as Halifax must:

- Pay compensation of £300 for distress and inconvenience (in addition to the £100 already paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 11 March 2025.

Martin Lord
Ombudsman