

## **The complaint**

Mrs S complains that Bank of Scotland plc trading as Halifax told her they wouldn't be automatically renewing the cash card on her savings account when it expired.

## **What happened**

Mrs S has savings accounts with Halifax and had been issued with a cash card for her Instant Saver account. On 15 July 2024 Halifax wrote to Mrs S saying that her cash card was about to expire and, as she hadn't used the card in the last six months it might be that she no longer wanted a card on the account. And so she didn't have unwanted cards in her possession they wouldn't send her a new card to replace her current one when it expired on 30 September 2024.

Mrs S was unhappy as she says she'd used her card to obtain statements, so she didn't agree she'd not used the card. She said she'd not been told her card wouldn't be renewed, she had a savings account which meant she wouldn't regularly be withdrawing money, and without a card she didn't have easy access to her money.

Mrs S contacted Halifax on 22 July 2024 after receiving their letter querying why she'd received the letter as she'd used her card to obtain mini statements. She was incorrectly told during the call that she'd be sent a Summary Resolution Communication letter (SRC). During the call Halifax arranged to order a new cash card for her.

Halifax responded to Mrs S's complaint on 17 September 2024. They apologised that she'd wrongly been told she'd receive a SRC letter. They acknowledged that she may have used her card to obtain a mini statement in the six months prior to their letter of 15 July 2024, but said this wasn't a transaction based activity, so it wouldn't stop the auto-renewal of her card from being cancelled.

They explained that cancelling the auto-renewal was done as a standard banking process, to minimise the potential risk of fraud for a customer. As a customer having a card that's not used could subject them to potential risk if it remains active for a long time.

But they said this didn't stop her from ordering a new card and this was done for her back in July 2024. They apologised if this wasn't made clear to her and said if she wished to retain her cash card they recommended that she use it on a semi-regular basis to ensure the auto-renewal isn't cancelled.

Mrs S was unhappy with Halifax's response and complained to our service. Our investigator considered the case but didn't uphold the complaint.

The case has now come to me for a 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.

Mrs S has told us that she hadn't been notified that if she didn't use her cash card it wouldn't be automatically renewed. So the starting point for me considering her complaint is to look at what her account terms and conditions say about replacement cards and whether Halifax followed this.

The terms and conditions say the following at section D13:

"If you have a card to use with your account, we won't send you a replacement if you haven't used it for 6 months or more before expiry. We will tell you before your card expires if we are not going to replace it and you can ask us to send you one."

And "Customers are notified at least 60 days before an old card expires."

So I'm satisfied that the terms and conditions of Mrs S's account made her aware that if she hadn't used her cash card in the last six months it wouldn't be automatically renewed.

Halifax wrote to Mrs S on 15 July 2024 advising her that her cash card wasn't going to be automatically renewed so they gave her the required notice.

Mrs S has told us that she'd used her card as she'd requested statements in the last six months both from an ATM and at the counter in branch. And she says that as the card was linked to her savings account, Halifax should have understood and taken into account that she wouldn't regularly be carrying out what they class as transactions and withdrawing money.

Halifax have explained that while they accept that Mrs S had used her card to obtain statements for the purposes of auto-renewal this doesn't count as a transaction. They've also explained why they have safeguards in place to protect customers from having unnecessary cards they're not using and may not even be aware they still have.

While Mrs S still wanted her card, having considered her use of the card, I think Halifax's decision not to automatically renew it was reasonable and in line with her account terms and conditions.

Mrs S has told us that Halifax's decision caused her stress and inconvenience and she's moving her accounts from them as she's worried about accessing her savings in the future.

Halifax's letter of 15 July 2024 notified Mrs S that they wouldn't be automatically renewing her cash card which was due to expire on 30 September 2024. She called Halifax on 22 July 2024 and during the conversation they agreed to order her a new card. So there was only a very short period when she thought she couldn't get a replacement card and was worried about access to her savings.

Halifax have apologised if it wasn't made clear to Mrs S that even though her card wouldn't be automatically renewed, she could still order a new card. And in the circumstances of the case I think this is sufficient, so I'm not asking them to do anything else.

### **My final decision**

For the reasons set out above my final decision is that I don't uphold Mrs S's complaint about Bank of Scotland plc trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 16 April 2025.

Patricia O'Leary  
**Ombudsman**