

## **The complaint**

Mr H complains that Bank of Scotland plc, trading as Halifax, gave him inaccurate information about the number of additional card holders that would be allowed on his credit card.

## **What happened**

When Mr H was considering applying for a World Elite Credit Card with Halifax he was told by an agent that he could have two additional card holders. He, therefore, applied for the card but was subsequently disappointed to find that he was only entitled to one additional card holder.

Halifax apologised for providing inaccurate information. They provided £110 in compensation, and they refunded the initial £15 account fee.

Mr H referred his complaint to this service and our investigator didn't think the compensation payment was sufficient. He suggested Halifax should pay an additional £90 and that if Mr H closed his account with them within 30 days of the closure of this complaint it would be fair to ask them to remove the credit search from his credit file.

Halifax didn't agree to that proposal as they thought their offer had been fair. Mr H didn't agree either. He explained that because the credit card had been reported to his credit file, he was unable to apply for another card, with a different company, that enabled him to receive benefits for two additional card holders. He explained that even if he cancelled the card with the Halifax there would be a lengthy wait until the card was closed and removed from his credit file so that he could make a successful new application to a different company.

As both parties disagreed the complaint has been referred to me, an ombudsman, for 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 don't think the compensation Halifax have offered is sufficient, but I think our investigator's suggestion is a fair one and I'm not asking Halifax to do more than that. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

There's no dispute that Halifax made a mistake here. While their terms may explain that only one additional card holder is allowed, that's not what they *told* Mr H, and I don't think he would have proceeded with his application if they'd done so, as it seems to me that it was important to him that he, his wife and his daughter could benefit from the airport lounge access and security fast track passes that the card advertised.

In those circumstances, I don't think it would be reasonable to insist Halifax offered the two additional cards Mr H wanted them to offer. That was never a benefit that was available. But Halifax should compensate Mr H for the distress and inconvenience he's been caused. Mr H will have been distressed to have found that the benefits he'd been promised were not actually available. He was understandably keen to ensure that his whole family would benefit so as not to be split up at the airport. And the realisation that was not possible led him to spend time attempting to apply for an alternative card through whom the benefits he sought were available, and to make a complaint to Halifax and escalate that complaint to this service. In the circumstances I don't think the compensation offered was fair and I'm asking Halifax to pay an additional £90.

I don't think I have sufficient information to suggest Mr H's application for a different card from a different provider was refused because he had a Halifax credit card, or because there was a search record from Halifax on his file. While the search and the account would have been visible on his file, they would not be the only issues a provider of credit would consider in the application process. Each provider has their own criteria.

Halifax have offered to remove the credit file search from Mr H's credit file if he chooses to close his account. That seems fair.

### **My final decision**

For the reasons I've given above, I uphold this complaint in part and tell Bank of Scotland plc to pay Mr H an additional £90 in compensation for the distress and inconvenience they've caused. If Mr H cancels his card with them within 30 days of the settlement being paid, they should also remove the credit search from his credit file.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 26 May 2025.

Phillip McMahon  
**Ombudsman**