

The complaint

Mr B complains that Bank of Scotland plc trading as Halifax sent letters to an incorrect address, so his credit card account was defaulted. The debt was then sold to a debt purchaser and ultimately a County Court Judgement (CCJ) was recorded on his credit file.

What happened

Mr B had a credit card account with Halifax. He got into difficulties repaying the debt and so agreed to a payment plan with Halifax. The payment plan was broken in March 2021, and no payments were made after this.

Halifax then started to try and recover the debt and defaulted the account. But, when it wrote to Mr B about the default, it sent letters to his old address. Because of this, Mr B says he didn't know the account had defaulted and the debt sold. He says this also led to the debt purchaser recording a default and CCJ against him.

In November 2024, Halifax wrote to Mr B's current address to let him know that it had sent letters regarding his account to his previous address. Because of this, it agreed to write off the outstanding balance on the account and remove the default from his credit file. It also wrote to the debt purchaser to request that the CCJ be removed from his credit file.

Mr B was unhappy with how Halifax had put things right, stating that its offer to resolve what happened hadn't taken into consideration the full impact the situation had had on him. Mr B has said that because of Halifax's error, he lost two job opportunities, the CCJ has damaged his credit file. He has been caused severe stress and anxiety by the situation, and he had to fight for months for the issue to be resolved. Mr B says that Halifax hasn't taken into account his disability, it hasn't made reasonable adjustments for him, and he feels Halifax has discriminated against.

Halifax responded to Mr B's complaint. While it agreed that it had made a mistake in sending letters to his old address, it didn't offer to do more to put things right for Mr B. Unhappy with Halifax's response, Mr B referred the matter to this Service.

An Investigator considered what both parties had said, but they didn't think Mr B's complaint should be upheld.

Mr B didn't agree with the Investigator's view. I have considered everything that he's told us and have summarised what I consider to be his main points below:

- FCA Principle 6 requires firms to treat customers fairly. CONC 7.9.4R mandates that default and final-demand notices be sent to the correct address.
- The Consumer Credit Act 1974 obliges creditors to warn customers of arrears and allow remedy before enforcement.
- UK GDPR Art 5(1)(d) requires personal data to be accurate and up to date. Halifax's admitted address-data error violated this principle.
- UK GDPR and the Data Protection Act 2018 require lawful, fair, transparent processing of personal data, and consent for sharing. Halifax disclosed my complaint

details to Link without consent, undermining impartiality and breaching GDPR. You accepted this without question.

- Section 20 of the Equality Act 2010 requires reasonable adjustments once a disability is known or ought to be known. I explicitly disclosed my dyspraxia in my complaint. Halifax provided any adjustments, in breach of the Act.
- Under FSMA 2000 and FOS Terms of Reference, an Ombudsman may award compensation for financial loss and distress/inconvenience (and beyond £1,000 for “wider injustice”). An apology and write-off are grossly insufficient to address the financial, professional, and emotional harm I have suffered.
- Civil Procedure Rules Part 83 & Practice Direction 83 (CCJ Service & Withdrawal). CPR 83 and PD 83 require proper service of CCJ proceedings and clear mechanisms for set-aside or withdrawal if wrongly issued. Halifax’s failure to serve default notices correctly rendered the CCJ service defective.
- Consumer Protection from Unfair Trading Regulations 2008. The CPRs prohibit “misleading actions” likely to deceive consumers. Your acceptance of Halifax’s false “no litigation completed” narrative, despite direct evidence to the contrary, condones misleading conduct and breaches fair-trading standards.

Because an agreement couldn’t be reached, the complaint has been passed to me to decide on the matter.

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.

Having reviewed the information available to me, I won’t be upholding Mr B’s complaint. I know this decision will come as a disappointment to him as I can see this matter is very important to him. I will explain my reasons for this below so that the parties can understand why I have reached this decision.

The regulator, the Financial Conduct Authority (FCA), sets out the rules that I must follow when considering complaints. These rules are set out in the Dispute Resolution: Complaints (DISP) section of the FCA’s Handbook. DISP 3.6.1 says:

The Ombudsman will determine a complaint by reference to what is, in his opinion, fair and reasonable in all the circumstances of the case.

And DISP 3.6.4 says:

In considering what is fair and reasonable in all the circumstances of the case, the Ombudsman will take into account:

(1) relevant:

- (a) law and regulations;*
- (b) regulators’ rules, guidance and standards;*
- (c) codes of practice; and*

(2) (where appropriate) what he considers to have been good industry practice at the relevant time.

I have read and considered all of the information from both parties, in reaching my decision. If I’ve not responded here to something that’s been said it’s not because I didn’t see it, it’s because I didn’t need to, to give my decision of the complaint. This isn’t a intended a discourtesy to either party, but my informal role in deciding what is fair and reasonable. This

also means I don't think I need to get an answer, or provide my own answer, to every question raised unless I think it's relevant to the main point of the complaint.

It's agreed that Halifax sent default notices to the wrong address. Halifax noticed it had made this mistake in November 2024 and wrote to Mr B stating it would write off the debt, remove the default from his credit file and request the CCJ to be removed, which had been applied for by the debt purchaser. What is left for me to decide is if these actions are enough to put things right.

The Information Commissioner's Office (ICO) says that when a consumer is at least three months behind with their payments then a default may be registered. It also says it would *expect* a default to be registered by the time the consumer is six months behind with their payments. That's what happened here. Mr B was in a long period of arrears – beginning in March 2021 – with no repayments being made for the minimum amounts or otherwise. The account defaulted in July 2021, which was then reported to the credit reference agencies. On the face of it then, Halifax complied with the guidance set out by the ICO.

Looking at the information provided to me by Halifax, I can see a payment plan was set up in January 2021. This usually happens when someone can't make the minimum repayment needed under the agreement. The plan seems to have been broken in March 2021, with no more payments being made after this. It seems to me that Mr B was going through financial difficulty at the time Halifax defaulted his account.

While it was of course wrong of Halifax to send the letters about the arrears and default to a wrong address (and it accepts this), I'm not persuaded that sending the letters to the right address would have meant the default wouldn't have happened, preventing the problems Mr B has complained about.

I say this because Mr B should have known he hadn't made repayments to the account. And whilst Mr B wouldn't have received the letters sent to his old address, Halifax has explained that it also tried to contact Mr B by text message without response. So he should have known, through his lack of repayments and these text messages, what the situation was with the account.

I'm also aware that Mr B seems to have been going through financial difficulty at the time the account defaulted. So even if he didn't know the account's situation – which, for the reasons I gave above, I don't think was the case – I think it's unlikely he'd have been able to bring the account back up to date to stop the default anyway.

I have also considered the steps Halifax took to put things right for Mr B, given that it agrees the letters it had to send him about the status of the account went to the wrong address. As I've explained, it has removed the default from his credit file, it has written off the remaining balance on his account and it has asked the debt purchaser to remove the CCJ. Even if I were to find that it was wrong of Halifax to default the account, which I haven't, I wouldn't have asked Halifax to do more than this.

That's because it has put his credit file back in the position it would have been in by removing the default (it wasn't involved in getting the CCJ), and it has compensated Mr B more than £1,000 by writing off the balance that was still owed. I understand that Mr B says the impact of what's happened is much more than this, for example, he has been turned down for job roles as a result. But he hasn't provided any information to support what he's said here. So I don't think Halifax needs to do more to put things right for Mr B in terms of the letters it sent to the wrong address.

I note that a lot of the impact Mr B has referred to relates to the CCJ being reported on his credit file. And that Halifax didn't do enough to get this removed. Mr B has referred to the Civil Procedure Rules Part 83 & Practice Direction 83 to support his comments.

The Civil Procedure Rules relate to the court process, and this Service is an alternative to the courts. But, in answer to Mr B's points, Halifax weren't the claimant for the CCJ, I can't make a finding on whether it was fair and reasonable of Halifax to start the litigation process, because it didn't. As Halifax weren't the claimant, it can't ask the court for the CCJ to be removed. Only the claimant, in this case, the debt purchaser, can do this. And it is ultimately up to the court to decide if it is prepared to do this. So I think Halifax's actions in asking the debt purchaser to consider removal of the CCJ are more than fair.

Mr B has said Halifax has breached data protection legislation by not keeping his personal data up to date. And by letting the debt purchaser know about information relating to his complaint. As I've said, it was wrong of Halifax to have sent letters to a wrong address, and I'm persuaded that Halifax has already done enough to compensate Mr B for this by writing off the outstanding balance on his account. But I don't think it was unreasonable of Halifax to have shared information with the debt purchaser about Mr B's complaint. It would needed to have done this to explain why the debt was being removed and to ask it to stop reporting the default and request removal of the CCJ. I don't think it has acted unfairly here.

Finally, Mr B has said that Halifax hasn't treated him fairly in relation to the Equality Act, stating that Halifax didn't make reasonable adjustments for him in relation to his disability. I can't make a finding as to whether Halifax has breached the Equality Act, only a court can decide this. But I can consider whether Halifax has treated Mr B fairly in the circumstances.

Mr B says his parent made Halifax aware of his disability when he opened the account. Halifax say it wasn't aware of this until Mr B raised this as part of his complaint. In relation to the main points of this complaint, I don't think I need to make a finding on when Halifax was, or should have been aware of Mr B's disability, because it doesn't make a difference to the outcome.

Mr B has said that in terms of the support he required from Halifax, he needed signposting to specialist support, pausing collections activity, providing communication in a more accessible format and ensuring clarity around his legal and financial position. I asked Mr B how this support would have prevented his account from defaulting, which is ultimately the main point of this complaint. He explained that it would have allowed Halifax to properly assess his situation and adjust collections activity, recognise early warning signs of financial distress, prevent the build-up of arrears, avoid a default and CCJ.

Taking all of this into account, I don't uphold this point. Even if Halifax had been aware of Mr B's disability at an earlier stage, I don't think it would have made a difference here. I can see Halifax had previously come to an arrangement with Mr B to make reduced repayments. So I can't fairly say that Halifax didn't try to support Mr B when he was in financial difficulty.

The main point of Mr B's complaint is that Halifax sent the letters to the wrong address, so even if Halifax had formatted the letters to make them more accessible for Mr B, he wouldn't have received them anyway, and so this wouldn't have changed his overall position.

Regardless of Mr B's disability, Halifax didn't have to stop collections activity or provide clarity around Mr B's legal position. I'm not persuaded that any of the support Mr B says he needed would have changed what would have happened when the account defaulted. And I haven't seen anything else that makes me think Halifax treated Mr B unfairly or unreasonably in light of his disability.

I note that much of Mr B's complaint about how Halifax has treated him in relation to his disability is from how it treated him when it handled this complaint. I have explained to Mr B that this Service can't consider his complaint about how his complaint was handled. That's because there are rules that this Service must follow when considering complaints. These are set out in the DISP rules.

For me to be able to consider a complaint, it needs to be about a regulated or specified activity in the rules – or a complaint needs to be ancillary to one of these activities. Complaint handling isn't a regulated or specified activity, and I'm satisfied that for this particular case, it isn't an ancillary activity either. So I can't consider this part of his complaint. I have noted Mr B's comments about this point, but they don't change my position.

In summary then, I accept that Halifax were wrong to send information about the collection process to Mr B's old address. But, I'm satisfied it has already done enough to put things right for Mr B. So, I won't be asking it to do anything more.

I know that Mr B will find this disappointing, but I hope that what I've set out here will give him some reassurance that Halifax has already done what it should have done to put things right for him in this case.

My final decision

For the reasons set out above, I don't uphold Mr B's complaint.

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

Sophie Wilkinson
Ombudsman