

The complaint

Ms L complains Bank of Scotland plc trading as Halifax removed online access to view her credit card accounts.

What happened

Ms L held two credit cards with Halifax. In March, then December 2023, Halifax made the decision to withdraw one then the second of Ms L's credit cards, meaning she wasn't able to use them further.

The account that closed in March 2023, had a balance of zero at the time of closing. When the second account closed in December 2023, it had a balance of approximately £4,650. Halifax said while Ms L wasn't able to spend further on the second card, she'd need to maintain monthly payments, to pay off the outstanding balance.

Unhappy with Halifax's actions, Ms L complained. She was unhappy Halifax wouldn't reopen her accounts. Ms L also said Halifax had removed the credit cards from her online banking, meaning it wasn't possible for her to know the outstanding balance or make repayments. Ms L was also unhappy with the information Halifax was recording to credit reference agencies (CRAs).

Halifax doesn't agree it's done anything wrong. It says it decided to withdraw both Ms L's credit cards in line with its policies. It said Ms L should still be able to see her second account online, even though it had withdrawn the facility. Halifax also said the information it had passed to CRAs was a fair reflection of Ms L's payment history, so didn't agree to amend this.

Following this, Ms L referred her complaint to the Financial Ombudsman. One of our Investigator's looked into what happened, and thought Halifax was reasonable in its actions, so didn't recommend it do anything differently.

Ms L disagreed with our Investigator's opinion. As the matter wasn't resolved the complaint has been passed to me to decide.

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've given consideration to the relevant rules and regulations applicable to this complaint and while I may not comment on everything (only what I consider is key) this is not meant as a discourtesy to either party, rather reflects the informal nature of our service.

I appreciate Ms L is unhappy that Halifax has declined to reopen her credit cards, or issue new cards for these accounts. This is however a decision Halifax is entitled to make, so I can't say Halifax must reopen the credit cards, as the terms and conditions of the accounts entitle Halifax to review and close accounts and it's confirmed that it won't reinstate them.

I've considered Ms L's concerns about the balance Halifax says is outstanding on her second account. It isn't for our Service to audit an account, rather if I'm presented evidence the balance may be incorrect, I'll review whether Halifax has done something wrong.

While I haven't been provided any evidence that would lead me to think Halifax is incorrect in the amount it says is outstanding, I have reviewed a number of Ms L's statements up to the point of the account being closed. In doing so, I'm satisfied Halifax has fairly applied charges and interest in line with the terms of Ms L's account. So, I think Halifax is fair in asking that the outstanding balance be repaid, as this money has been spent.

I note Ms L has also raised concerns that Halifax removed the second credit card account from her online banking, meaning she didn't know how much was outstanding or what she needed to pay. Halifax has maintained that although it withdrew the credit card, as there was still a balance outstanding on the account, Ms L would have been able to access this online. I haven't seen evidence from either party to be able to say conclusively whether Ms L was able to review the account online.

I've therefore thought about whether something had gone wrong if Ms L wasn't able to see her account online. My understanding is, Ms L had a direct debit set up to make monthly payments towards the account until September 2024, when she cancelled this. Following this, Halifax wrote to Ms L as her account was then in arrears. I understand Halifax reissued a copy of Ms L's statements in September 2024 following a conversation in which Ms L requested these.

So, I think it was clear there was still a balance outstanding and that payments needed to be made towards this balance. Therefore, although it may not have been possible for Ms L to review her account online, I think Halifax provided sufficient evidence to show that there was an outstanding balance and payments needed to be made towards this.

I note that since Ms L referred her complaint to the Financial Ombudsman, Halifax issued a notice of default and may have now defaulted the credit card account. I understand that Ms L is unhappy with Halifax's actions in relation to this. However, as this has happened since this complaint was referred to our Service, I'm not able to comment on this in my decision. If Ms L is unhappy about Halifax's actions in relation to a notice of default, she'd first need to raise this as a new complaint with Halifax.

In conclusion, while I appreciate this won't be the answer Ms L is hoping for, I think Halifax was reasonable in the steps it took. Halifax declined to reopen Ms L's credit card accounts, which is a decision it was entitled to make. While I can't conclusively say whether Ms L was able to access the second account online, after it was closed, I think Halifax provided sufficient information to show that there was an outstanding balance that needed to be repaid. As a result, I won't be asking Halifax to do anything further in relation to this complaint.

My final decision

For the reasons I've given above, I don't uphold Ms L's complaint about Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 9 January 2026.

Christopher Convery
Ombudsman

