

The complaint

Miss R has complained that Bank of Scotland plc trading as Halifax (“Halifax”) didn’t downgrade her Ultimate Reward Current Account (“URCA”) fee-paying packaged account after she’d complained in 2020 about how it’d been sold to her.

What happened

Miss R went into a Halifax branch and noticed that she still had a packaged account. Miss R complained to Halifax because she said she’d complained in 2020 that it was mis-sold and that it should’ve been downgraded then.

Unhappy with this, Miss R referred her complaint to this service. After she did that Halifax investigated the complaint and didn’t uphold it as it could not find that it had made an error.

One of our investigators assessed the complaint and they didn’t uphold the complaint either.

As Miss R didn’t accept the investigator’s assessment, the matter was referred for an ombudsman’s 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.

We’ve explained our approach to complaints about packaged accounts on our website and I’ve used that to help me decide this complaint. And having considered everything, I don’t uphold this complaint. I will explain why.

Miss R complained to Halifax, via a professional representative, in 2020 that her URCA had been mis-sold. Miss R says that no advice was given to her about how to downgrade her account so she trusted that Halifax had done it.

However, when Halifax issued its response to that complaint on 15 December 2020, there was a section of the decision that said:

“Your Active Account

In light of your comments regarding your account not being sold appropriately it is necessary for you to review which account is right for you. While I cannot advise you on which account is best for your needs, I have included with this letter details of all the current accounts that we at Halifax offer, including those accounts which do not have a monthly maintaining the account fee.

If you do not feel your current bank account is right for you, you need to act now. To change to any of our other accounts, you can visit any Halifax branch, call us on 03457 20 30 40 (geographic number 0113 242 1984) or if you are registered for Online Banking, this can be done online. You can find your local branch on our website: www.halifax.co.uk.

If you do not take any action to change your account within the next 60 days, we will assume that you are happy with the account you hold. We will write to you again in 60 days to confirm that is our understanding.”

So based on Halifax's response to Miss R's previous complaint, it's clear that Halifax had confirmed that Miss R's account was still an URCA and that it was up to Miss R to review the current accounts available and to change her account to one she felt best met her needs. The letter also gave Miss R instructions on how to change her account.

Furthermore, after the above final response letter was issued, Halifax sent Miss R a follow up letter on 15 February 2021. In that letter, it reminded Miss R that she still held the packaged account and reminded her that she could change the type of account held. As Miss R had still not changed her account, Halifax said it assumed she was happy to continue with the URCA.

In addition to the two letters mentioned above, Halifax has also provided evidence to show that it had sent Miss R annual eligibility statements in November 2020 and every November since then. This again, would've explained that Miss R had an URCA, it reminded Miss R of the insurance benefits of the URCA and invited Miss R to check that it was still suitable for her circumstances, and if not, to get in contact with Halifax to change her account.

Therefore, it's clear that not only did Halifax set out in the final response letter that Miss R would need to change her account (and decide which account she wanted to change it to) if she didn't want the URCA anymore, she was also sent a reminder in February 2021. And in the years since then, it has sent further reminders to Miss R that she still had an URCA. Miss R says that she didn't receive the letter reminding her to downgrade her account. However, given that a number of letters and statements were sent to her confirming she still had an URCA, I think it's likely that at least some of the documents sent to Miss R would've been received – especially as it looks like Halifax had the correct address recorded for Miss R.

So in the circumstances, I can't say that Halifax acted unfairly or unreasonably. On the contrary, I'm satisfied that it gave Miss R clear information about the status of her account and gave her clear information on how she could change it and invited her to consider her options when doing so.

Finally, I understand that Miss R says she noticed she was still being charged the monthly account fee in April 2025 and then downgraded the account online. Miss R says that since then, her account was compromised, which resulted in a new debit card being issued to her. Miss R says that around that time, her account was upgraded back to being an URCA as she was charged a £14.41 monthly account fee.

After looking into matters further, Halifax has confirmed that Miss R had not downgraded her account on 28 April 2025. It says that Miss R had attended branch that day, and had then called Halifax later that day. It says the member of staff Miss R spoke to on the phone offered to assist Miss R in changing her account, but Miss R confirmed she already knew how to do it as the branch staff had already explained the process to her.

Therefore, based on what I have been provided with, it seems that Miss R had only discussed downgrading her account on 28 April 2025, and she didn't get round to it until sometime later, on 25 June 2025. As such, I don't think that Miss R's account was 'upgraded again' as Miss R has suggested. On the contrary, the £14.41 account fee was the last pro-rata account fee covering the period between 3 June 2025 and when Miss R closed the account on 25 June 2025. From everything I have seen, I think that Miss R was again provided with clear information on how to downgrade her account, and that no error occurred.

As such, whilst I appreciate Miss R is frustrated that she's paid monthly account fees on her URCA since her complaint in 2020, I can't say that has happened because of a mistake or error made by Halifax. I therefore don't think it would be appropriate to say that those fees should be refunded back to Miss R given that I can't find Halifax at fault in this matter.

My final decision

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 23 October 2025.

Thomas White
Ombudsman