

The complaint

Mr J complains that Bank of Scotland plc trading as Halifax ('Halifax') were uncontactable when he had problems using his Clarity credit card abroad, and lied to him about what had gone wrong.

Mr J says he was caused a great deal of distress and inconvenience and he wants compensation to put things right.

What happened

Mr J complained that when he was in Canada a transaction for a hire car deposit of around £100 was declined and his account was blocked. Mr J couldn't respond to the text message Halifax sent, and Mr J couldn't speak to someone about this until the next day. He said he was stranded without a car, causing him considerable distress and inconvenience and the lost enjoyment of his holiday.

Halifax offered £75 for issues Mr J faced contacting them but said they'd not stopped the transaction. This wasn't the outcome Mr J was expecting given what he had been told by Halifax on the phone. He referred his complaint to the Financial Ombudsman Service.

Halifax reviewed the complaint again and explained they'd made an error when responding to Mr J's complaint. Halifax said the transaction had been blocked in line with their terms and conditions and they were sorry Mr J hadn't been able to speak to someone straight away, though their fraud line was a 24/7 number.

In recognition of the further distress and inconvenience caused to Mr J Halifax increased their offer of compensation to £300 and offered to cover the cost of Mr J's taxi for the night he was without a vehicle, subject to evidence of loss being provided.

Mr J didn't accept the offer, but our investigator thought it was a fair and reasonable way for Halifax to resolve Mr J's complaint. She didn't think Halifax needed to do anything further than what they'd offered.

Mr J didn't accept this and said Halifax had lied to him. He didn't feel this had been investigated or adequately compensated. He sought 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.

I've taken into account any relevant law and regulations, the regulator's rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

Having done so I am of the view Halifax's offer to put things right is fair and reasonable, and I'm not going to ask Halifax to do more than this. I'll explain why.

I think it would be helpful to explain the role of the Financial Ombudsman Service is to resolve individual complaints based on what is fair and reasonable in the circumstances of each case. I can't interfere with a firm's processes or procedures, and I can't punish a business or fine them. Those are considerations for the Financial Conduct Authority ('FCA'), as the regulator.

I accept that Halifax sent a final response letter to Mr J which contained an incorrect explanation of what had happened. But I don't agree that this means Halifax have lied to Mr J. I think it means Halifax made a mistake. They've identified they weren't thorough when checking what had happened on Mr J's account and have tried to put things right.

Where there's been an admission that things have gone wrong and an offer of compensation it's within my remit to say whether I think the offer is a fair and reasonable way of resolving a complaint.

I've considered what went wrong here. It's clear Mr J's account was blocked. Mr J's terms and conditions allow Halifax to block transactions. I've not found an issue here.

Mr J says he was sent a text message but couldn't resolve the issue by replying as he didn't have any mobile data. I agree Halifax don't require him to have a mobile phone to operate his account. But I don't think it's unreasonable for Halifax to contact Mr J on the mobile phone number he provided them with or offer a text message service to confirm the transaction.

Mr J needed to contact Halifax by phone. I haven't been provided with evidence that Mr J rang the 24/7 fraud number which is on Halifax's website. I think it's possible he may have called the number on the reverse of his card which wasn't a 24 hour service and was, unfortunately, closed at the time he rang given the time difference. Halifax were prepared to offer Mr J £75 compensation for the trouble he'd had contacting them, regardless of what number he used. I think that's fair to Mr J.

Mr J said he lost some enjoyment of his holiday because of the delay getting his hire car sorted. And he had to get taxis to his accommodation that night and back to the hire company the following day. Mr J said this cost him the equivalent of £50, which doesn't sound unrealistic.

Halifax offered Mr J further compensation of £225, bringing the total amount for his distress and inconvenience to £300. I think this fairly recognises that Mr J was disappointed when trying to use his credit card, and when receiving his incorrect final response letter.

Halifax also offered to cover the cost of Mr J's taxi fare for the night in which the hire car wasn't available. I think this was a fair offer, but I also think it's reasonable that Halifax made this conditional on Mr J being able to provide evidence of the cost of this, by producing a receipt or a bank statement showing the payment made. If this evidence can't be produced, then I won't require Halifax to pay anything for Mr J's travel costs though they are at liberty to do so on a goodwill basis.

Putting things right

Bank of Scotland plc trading as Halifax must:

- (i) pay Mr J £300 for his distress and inconvenience; and
- (ii) pay Mr J the cost of his taxi fare from the hire car venue to his accommodation for the first night he was without his hire car, conditional upon Mr J providing them

details of the journey made together with a dated receipt, bank statement or other evidence to their satisfaction to show the loss incurred.

My final decision

For the reasons I've outlined, my decision is Bank of Scotland plc trading as Halifax must put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 15 October 2025.

Clare Burgess-Cade
Ombudsman