



The complaint

Mr B complains that Bank of Scotland plc trading as Halifax ('Halifax') said he'd exceeded his credit card limit whilst showing he had an available credit limit.

Mr B doesn't want this to happen again, and wants further compensation for his distress and inconvenience.

What happened

Mr B transferred sums from another Halifax account to his credit card balance when he was alerted to being over his credit limit. Mr B was concerned that the alert didn't disappear even though his app showed he had an available credit limit. Mr B said this was misleading and he was worried his credit file was impacted.

Halifax didn't accept they'd made an error but did compensate Mr B for poor service during calls. Halifax paid Mr B £80 for his distress and inconvenience, and refunded interest of £105.65. They also applied a three month interest waiver to Mr B's account.

Mr B didn't think this was a fair outcome and asked the Financial Ombudsman Service to investigate. Our investigator thought Halifax had provided a fair resolution to Mr B's complaint. Mr B strongly disagreed and said he'd never been over his credit limit. Mr B 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.

The Financial Ombudsman Service doesn't have the power to make rules for financial businesses, in terms of directing that they should change their policies or procedures. That is the role of the regulator, the Financial Conduct Authority ('FCA').

I acknowledge that Mr B initially complained to Halifax that the alerts were misleading, not that they were incorrectly triggered. If Mr B wishes to pursue this point then he will need to make a separate complaint to Halifax before this service can investigate this fully.

I am inclined to agree with our investigator that Mr B's credit limit alerts were likely triggered because although Mr B was paying his card before spending, it was taking time for payments to clear, particularly around weekends and a Bank Holiday.

I accept the alerts said Mr B was over his credit limit, whilst also showing an available credit limit. I can understand why Mr B wanted to call Halifax about this.

I think Halifax provided Mr B with a fair and reasonable explanation for what had happened in the first part of his initial call with them. Halifax said that payments would show as pending and although the balance and available credit limit figures would change the alert wouldn't be removed until the payments cleared. Halifax confirmed Mr B's credit file hadn't been affected.

I can't direct Halifax to change their banking process for how and when they show credit limit alerts, or how long they take to process payments. I acknowledge Mr B thinks this should be instant, but I don't find it unusual for there to be some clearing time even though Mr B's transferring money between Halifax accounts.

I don't think it's unfair for Halifax to show a pending payment on Mr B's account in these circumstances as this will indicate a payment is in the process of being allocated. I think that's preferable to no mention of a payment that's been made, as this might cause Mr B to think his payment was lost or that he needed to pay again.

And I don't think it's unfair to Mr B that the over credit limit alert remains in place until Halifax receive cleared funds. I think the alert enables Mr B to make an informed decision about how to operate his account. Now that Mr B knows Halifax's clearing times and their process, he can decide how to use his credit card to avoid the alerts going forwards.

I've listened to the calls between the parties, and I was pleased to see that Halifax acknowledged their service on the calls fell below everyone's expectations. Mr B's neck injury made calls particularly difficult for him, although there's no evidence Halifax knew about Mr B's neck pain until his call with a complaints manager. I'm aware that Mr B didn't fully enjoy his wedding anniversary, due to his call with Halifax.

I've given careful thought to how Halifax tried to resolve this complaint for Mr B. I think Halifax offered compensation that fairly recognises how Mr B was impacted by their service. I think this is keeping with the level of awards this service might have awarded in these circumstances, so I don't think Halifax need to do anything more to put things right.

I know this won't be the outcome Mr B was hoping for, but I haven't found cause to uphold his complaint as I think Halifax have already offered a fair resolution to his complaint.

My final decision

For the reasons I've outlined, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 20 November 2025.

Clare Burgess-Cade
Ombudsman