

The complaint

Ms W complains Bank of Scotland plc trading as Halifax caused her distress and inconvenience as a result of the way it mishandled a payment.

What happened

Ms W has an account with Halifax.

Ms W sent £35 as a gift to an existing payee on 20 May 2025. Two days later she says she discovered the intended recipient hadn't received the money and that they'd closed their account with Halifax – the account Ms W had sent the money to. Ms W contacted Halifax to find out where the missing money was and why this hadn't been flagged when she tried to make the payment. She says Halifax told her that it couldn't look into the matter without the intended recipient's new account details – details Ms W was unwilling to give Halifax in part because she didn't think that information was relevant and in part because she didn't feel she should be sharing the recipient's information without their consent. Ms W complained.

Halifax looked into Ms W's complaint but didn't uphold it. The missing money had in the meantime made its way back into Ms W's account – it did so on 23 May 2025. Ms W was unhappy with Halifax's response and complained to our service.

One of our investigators looked into Ms W's complaint but didn't recommend it be upheld. They said that Halifax had followed its processes properly.

Ms W was unhappy with our investigator's recommendations saying that Halifax had asked for information it didn't need – it had taken a "one size fits all" approach – and that refusing to take the issue further had left her worried about what had happened to her missing money. She asked for her complaint to be referred to an ombudsman for a decision. Her complaint was, as a result, passed to me.

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 can understand why Ms W would have expected Halifax to check her payment before sending it and to have flagged the fact that there was a problem. This didn't happen, however, because she'd opted to pay an "existing payee". It's unfortunate too that Ms W didn't know the intended recipient had changed banks. The money was meant to be a gift so it makes sense that Ms W might not have checked with the recipient in this case.

I can understand why Ms W – once she had discovered that the recipient had closed their account – was worried the money she'd sent hadn't immediately re-appeared in her account and why she was unwilling to give the intended recipient's new details to Halifax. Our investigator is, however, right that the agent Ms W was speaking to was following the normal process. The information they'd asked for would have helped had Halifax needed to take steps to retrieve the payment and re-direct it. Equally I can understand from Ms W's perspective why this information felt irrelevant.

I agree with Ms W that Halifax could have been a bit more flexible in this particular case, but given that the payment made its way back into Ms W's account the following day I don't think there's enough here to say that Halifax did anything wrong. What happened was an unfortunate chain of events – and one that fortunately resolved itself quickly.

My final decision

My final decision is that Bank of Scotland plc trading as Halifax doesn't need to do more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 26 February 2026.

Nicolas Atkinson
Ombudsman