

The complaint

Miss P complains that her direct debit mandate for her TV Licence is incorrectly displaying a quarterly payment frequency on her online banking app despite payments being taken monthly from her account. Miss P says because of this her payments don't appear in the upcoming payments list inhibiting her ability to manage her finances. Miss P raised the issue with Bank of Scotland plc trading as Halifax ("Halifax") but despite cancelling and reinstating the direct debit as instructed the issue remains.

What happened

In October 2012 Miss P set up a direct debit to pay her TV licence. In December 2012 a request was made to close the originating account the direct debit was being paid from and to transfer the direct debit to another account Miss P held with Halifax. This was finalised in April 2013 but due to the gap between the payments transferring across accounts Halifax's internal system allocated and displayed a payment frequency of quarterly rather than the monthly frequency of which they were taken from Miss P's account.

Following the introduction of new features to Halifax's online banking system Miss P became aware that despite her TV license payment being debited monthly from her account - in-line with her TV Licensing payment schedule - Halifax's banking app displayed a payment frequency of quarterly.

Miss P raised the issue with Halifax in November 2024. Halifax advised Miss P to cancel the direct debit and set it up again. Miss P did this but as the issue remained Miss P raised a complaint.

Miss P says she is on benefits and relies on financial tracking and this discrepancy makes it difficult to budget.

Halifax acknowledged that the direct debit frequency was incorrectly displayed within its banking app and that the issue stems from its legacy system settings. Halifax explained that direct debit is an agreement between the merchant - TV Licensing – and Miss P, so it is the direct debit originator who controls the taking of the payment via the Automated Direct Debit Instruction Service (AUDDIS) and that Miss P's monthly payment schedule as agreed with TV licensing remains unaffected.

Halifax are unable to amend the payment frequency displayed internally themselves but as a work around said Miss P could cancel the existing direct debit and then wait for a period before creating a new one. Miss P would need to ensure the direct debit is not showing on the app and then set up the new direct debit with a different AUDDIS and originator reference from what she's had before. Halifax explained that the issue wasn't resolved in November 2024 when Miss P cancelled her direct debit because the AUDDIS number did not change and so the frequency did not change in the app.

Halifax recognised the confusion and inconvenience caused by the display issue and issued a goodwill payment of £80.

Miss P remained dissatisfied and so brought her complaint to this service.

One of our investigators looked into Miss P's concerns and although they acknowledged the impact Miss P says the display issue had on her financial planning, they couldn't see that Miss P had lost out financially as a result. And although the fix for the issue Halifax proposed was inconvenient, they didn't think it was unreasonable. They thought the £80 Halifax awarded Miss P for the inconvenience suffered was fair and so didn't think Halifax needed to do anything more.

Miss P disagreed. She believes that as Halifax is at fault it should fix its system and that it is an IT problem and not a TV licensing direct debit issue. Miss P has asked 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.

I hope that Miss P won't take it as a courtesy that I've condensed her complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint. Our rules allow me to do that. And the crux of Miss P's complaint is that Halifax's app is incorrectly displaying the payment frequency of her direct debit to TV licencing resulting in it making it difficult to manage her finances and that Halifax can't amend this.

It might be helpful for me to say here that as we are not the regulator, I cannot make Halifax change its IT systems or processes – such as how it displays information on direct debits or how it notifies customers on upcoming payments. These are commercial decisions and not something for me to get involved with. Nor is it my role to punish or penalise Halifax for the mistakes it makes – that is the role of the regulator in this case the Financial Conduct Authority.

My role rather is to see whether Halifax have made a mistake or treated Miss P unfairly and if it has decide what Halifax needs to do to put that right.

In this case there is no dispute that Halifax's app is incorrectly displaying the payment frequency of Miss P's TV licensing direct debit and that this might cause some confusion and inconvenience when managing one's finances.

But I'm in agreement with our investigator that although inconvenient, I can't say that Miss P hasn't been able to manage her finances properly or lost out financially as a direct result of the display issue.

Indeed, Miss P understands her agreement with TV licensing as shown on the payment schedule is for monthly payments and she has managed to meet these payments for many years without issue despite the display discrepancy.

But I do accept not receiving notifications about the upcoming payments and having an incorrect payment frequency displayed is both frustrating and confusing for Miss P.

But as Halifax have proposed a fix for the problem and although I appreciate it will be inconvenient for Miss P - and she has some doubts about whether it will work – I don't think what Halifax it is asking Miss P to do is unreasonable.

Halifax have explained to reset the payment frequency internally in its system an entirely new direct debit has to be set up with different references as without this the system will just pick up the previous direct debit and reinstate it – which is what happened previously.

I appreciate Miss P thinks it should just be a matter of Halifax updating its system internally and doesn't understand why it can't do this. But Halifax say this isn't possible as it is the direct debit originator that provides the reference, and I don't think it would be fair to penalise it for something it isn't able to do.

I understand Miss P's frustration with this as she just wants the issue fixed, but sometimes things don't run smoothly, and technical issues occur – as in this case – but that doesn't mean it automatically follows that Halifax has treated Miss P unfairly.

And although I accept Miss P will be inconvenienced implementing Halifax's proposed fix for the matter, as I can't see that Miss P has lost out financially, I think the £80 already awarded to Miss P is fair compensation for this.

And so it follows that I think what Halifax has done already to put things right for Miss P is fair and I'm not going to ask it to do anything more.

My final decision

For the reasons I've explained I've decided that what Bank of Scotland plc has already done to settle Miss P's complaint is fair and it doesn't need to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 16 December 2025.

Caroline Davies
Ombudsman