

The complaint

The complaint arises from a banking relationship Mr R used to hold with Bank of Scotland plc (BOS) under its trading name of Halifax. It's one of two complaints he's asked us to look at about a common series of events.

The first complaint, which was referred to us in June 2024, was about a business I'll refer to here as H. The complaint related to a payment of £180 that H made in April 2025 to Mr R's account with BOS, which had been closed in May 2022 when Mr R switched to another provider. That complaint was resolved amicably by H agreeing to make a goodwill payment of £180 to Mr R by way of an apology for not having contacted BOS quickly enough to try and recall the payment. Mr R accepted the settlement on the understanding that H would continue to help BOS try to locate the funds.

The second complaint, the one I'm dealing with here, came to us in September 2025, is about how BOS dealt with the Mr R's request that it locate and return the funds.

What happened

The broad circumstances of this complaint are known to the parties. I'm also aware that the investigator issued a response to the complaint, a copy of which has been sent to both parties, and so I don't need to repeat all the details here. Our decisions are published, and it's important that I don't include any information that might result in Mr R being identified.

Instead I'll give a summary of the key events as I see them and then focus on giving the reasons for my decision. If I don't mention something, it won't be because I've ignored it. It'll be because I didn't think it was material to the outcome of the complaint. For the avoidance of any doubt or ambiguity, this decision deals solely with the complaint against BOS.

In April 2025, acting on a request from Mr R, H initiated a faster payment of £180 to BOS using account details given by Mr R previously and stored in its system. Unfortunately that account had been closed in May 2022. Mr R called Halifax on 10 April 2025, seeking to recover the funds; he was advised at that point to ask H to raise a "payment made in error" claim.

Having got no joy through H, Mr R came back to BOS on 5 June 2025. By that time, his account had been closed for more than three years. The relevance of this is that for the first three years after closure, BOS' system would automatically redirect any incoming faster payments to the successor account. After three years, the redirection arrangement stops and the details are delated. When it looked back, BOS could find no record of the £180 from April 2025 payment either arriving or being sent on elsewhere.

The Investigator to whom the case was allocated didn't think BOS had done anything wrong. Mr R has asked for the case to be reviewed by an ombudsman. Firstly, he thinks BOS could have located the payment when he first contacted it in April 2025. Secondly he says that in his consideration of the complaint against H, the same Investigator had already found that the money had reached BOS.

What I've decided – and why

I'll start with some general observations. We're not the regulator of financial businesses, and we don't "police" their internal processes or how they operate generally. That's the job of the Financial Conduct Authority (FCA). We deal with individual disputes between businesses and their customers.

In doing that, we don't replicate the work of the courts. Whilst statutory, our scheme is intended to provide swift outcomes to disputes between business and the customers, with a minimum of formality. We're impartial, and we don't take either side's instructions on how we investigate a complaint. We conduct our investigations and reach our conclusions without interference from anyone else. But in doing so, we have to work within the rules of the ombudsman service.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Like the Investigator, I've confined myself to addressing the complaint about what BOS did or didn't do. Our consideration of the case about H was entirely separate. Where I reference the other case, it is for context only.

To find in Mr R's favour and uphold this complaint, I have to be persuaded on the balance of probabilities that BOS either failed to do something it should have done, or did something it should not have done.

I've considered whether BOS needed to have acted differently when Mr R first contacted it in April 2025, still within the three-year redirection period. On balance, I'm not persuaded it needed to do that. At that point, BOS looked and found nothing to suggest the funds had reached it. So the advice it gave Mr R – to ask H to claim the money back as having been sent in error – was the appropriate response. At that point, there was nothing else for BOS to do other than wait for H to make the relevant claim.

On Mr R's point about the Investigator's position being contradictory between the two cases, I've looked carefully at what the Investigator said on the case against H. I haven't found anything that either says, or implies, that the funds definitely reached BOS. So I don't think it's contradictory to say here that BOS found no evidence of the payment when it looked. Meanwhile, there's now no way of establishing on the balance of probabilities whether the funds reached BOS or not.

My final decision

My final decision is that I don't uphold this complaint or make any order or award against Bank of Scotland plc trading as Halifax.

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further consideration or discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 6 January 2026.

Jeff Parrington

Ombudsman