

## The complaint

Ms B complains that Bank of Scotland plc trading as Halifax unfairly blocked two debit cards she held while she was on holiday.

## What happened

This complaint is about two debit cards Ms B holds with Halifax. She complains that when she was on holiday abroad Halifax blocked both of the cards, despite paying Halifax for travel cover and receiving assurances that the cards would work.

Ms B also complains that despite contacting Halifax many times, the card remained blocked for some time and that was causing her hardship. She said Halifax did not respond to her complaints within eight weeks and had not honoured an offer to pay her £500 compensation. She believed that a payment of over £1,500 would be appropriate to reflect the impact of this matter on her.

The investigator did not think that Halifax had made a mistake in blocking the cards. She did not think that it had offered Ms B £500 to resolve the complaint and thought that £125 was a fair amount to reflect that Halifax could have done more to support Ms B. Ms B did not accept what the investigator said.

When I initially reviewed things I did not think that Halifax had treated Ms B fairly. I said Halifax should pay Ms B a total of £550 for the distress and inconvenience she'd been caused. Halifax accepted what I said. Ms B did not – she re-emphasised a number of points, including the impact this matter had on her health. On review, I considered that a total payment of £850 would be fair to reflect any distress and inconvenience Ms B has suffered.

Halifax responded to say that it had sent two responses to this complaint – one paying Ms B £50 and the other paying her £500. It agreed to pay a further £300 on top of that.

Ms B said that the offer of £500 related to an earlier complaint. I passed on evidence that showed that the payment of £500 was in respect of the complaint Ms B had brought here.

Ms B responded to make a number of points, including:

- The severity of the impact on her given her medical vulnerability is not reflected in the proposed compensation.
- Because she could not use her cards she had a prolonged period of helplessness both abroad and after returning to the UK. During that time she was left without access to her own money and repeatedly directed to cash machines and supermarkets despite her disability.
- The stress and uncertainty caused physical deterioration, loss of dignity and had a significant impact on her wellbeing over several weeks. That was compounded by the failure to recognise her vulnerability, the delays in a practical resolution and the way she was spoken to.

- While she acknowledged that Halifax was not entirely responsible for the underlying block, the extent, duration and intensity of the distress and inconvenience warrants higher compensation.

### **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 thank Ms B for her honesty and openness in sharing the impact of this matter on her. I don't doubt anything she's said. I understand why she feels she should be paid more compensation for the impact on her. The difficulty I have is that I do not consider that Halifax was responsible for everything that happened or all of the impact this matter had on her and in the circumstances, I consider the amount I have awarded is in line with our guidelines.

I hope Ms B doesn't see what I have said as a criticism of her in any way. That is not my intention. I understand she found herself in a very difficult position. She feels strongly that the compensation should be in a higher category. But in all the circumstances, I consider the award I have made is fair. I will explain why.

Halifax has given us evidence to show that the transactions were declined because the wrong PIN was entered on three consecutive occasions. I am satisfied that is the reason why the transactions were blocked. I don't consider there was any error by Halifax in blocking the attempted transactions.

When the transactions were blocked, Ms B contacted Halifax using its messaging system. I don't consider the support it offered her was appropriate or fair. There were several problems with the messaging facility and when Ms B was able to deal directly with Halifax, it did not always give her accurate information or appropriate levels of support bearing in mind it was aware of her vulnerability. Halifax should have told Ms B she could withdraw cash at any bank that had the Visa sign by providing her identification.

I am satisfied that Halifax did not treat Ms B fairly. It should have given her information about how she could access funds when she was abroad and it did not adequately take account of her vulnerability. Therefore I need to decide what is a fair way to put things right.

Ms B has not told us she's suffered any financial loss because of what happened. So that leaves compensation for any distress, inconvenience, pain and suffering that was caused by Halifax's unfair treatment.

I've already found that it was not Halifax's fault that Ms B could not use her cards. That would have caused some of the distress and inconvenience Ms B has told us about. I could not fairly tell Halifax to compensate her for any distress or inconvenience that has caused her.

Halifax should have told Ms B that she could access funds from a bank. It is likely she would still have experienced some inconvenience if she'd been given the correct information – but it is more likely that she would have been able to access some funds. Further, when Ms B returned to the UK she could access cash from a Halifax branch, although I understand that may have been difficult given her circumstances.

Ms B's given us evidence to show that she had no other active accounts to access funds. While I understand she said she took steps to check with Halifax there would not be any problems in using the cards abroad, it could not have foreseen the problem with the PIN.

I was sorry to hear of Ms B's health problems when she was abroad. I don't doubt how embarrassing and humiliating she found that. I accept that Halifax's lack of support might well have contributed to the stress that caused the impact on her health.

*Our guidelines say "An award of over £750 and up to around £1,500 is likely to be fair where the impact of a business's mistake has caused substantial distress, upset and worry – even serious offence or humiliation. There may have been serious disruption to daily life over a sustained period, with the impact felt over many months, sometimes over a year. It could also be fair to award in this range if the business's actions resulted in a substantial short-term impact, but you'd usually see some ongoing effects."*

Bearing in mind my findings on what happened, the length of time Ms B was without her cards and what she's told us about the impact on her, I consider a total payment of £850 is a fair way to resolve this complaint.

The final responses sent by Halifax suggest that it has already paid £550 to Ms B. But Ms B says she has not received anything. It is not clear why Ms B did not tell Halifax she did not receive the money it said it had sent her. Nevertheless, my decision is that Halifax should pay Ms B a total of £850 – it can deduct any payments it has already made to Ms B in respect of this matter. But it should check what it has already paid to Ms B and provide evidence to show the payment(s) were actually made.

### **My final decision**

My final decision is that Bank of Scotland Plc trading as Halifax should pay Ms B a total of £850, less any amount it has already paid Ms B in respect of this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 4 March 2026.

Ken Rose  
**Ombudsman**