

The complaint

Mr T complains Bank of Scotland plc trading as Halifax repeatedly returned payments he made into his account.

What happened

Mr T has an account with Halifax and an account with a business who I'll refer to as "S" throughout the rest of this decision.

In April 2025 Mr T contacted Halifax saying that it had returned a payment to S despite the details being correct. He subsequently complained to Halifax when it kept on returning the payment. He says two agents he spoke to put the phone down on him and that he had problems when he attempted to complain online. Because he says he didn't receive a response from Halifax he complained to our service. He said he wanted Halifax to fix the standing order and to award him a small gesture of goodwill for the trouble caused to him.

Halifax says it looked into Mr T's complaint and apologised that his query hadn't been answered and offered £50 in compensation. Halifax said that the reason why his payment kept on being returned was because his account had been closed.

One of our investigators looked into Mr T's complaint and having explained what had happened said that they thought the compensation Halifax had offered was fair.

Mr T was very unhappy with our investigator and asked for his complaint to be referred to an ombudsman. His 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 see that Mr T paid £1 every month from an account he has with S to his account with Halifax for over a year. I can also see that in April 2025 the payment started getting returned. I'm satisfied that's because Halifax had reviewed Mr T's account and asked him for some information and having received no response had gone ahead and closed his account. I've seen copies of the emails Halifax sent to Mr T about the review of his account and am satisfied that they were sent to the right email address. I'm also satisfied that Mr T didn't reply to these emails and can't, therefore, say that Halifax acted unfairly or unreasonably when it went ahead and closed his account. That means I also agree that Halifax didn't do anything wrong when it started returning the monthly standing order Mr T had set up.

I can see that Halifax has accepted its agents could and should have explained to Mr T that his account had been closed when he got in contact to find out why his payments were getting returned. Halifax has offered £50 in compensation for the unnecessary distress and inconvenience that this caused. I agree that this is fair.

Because Halifax hasn't paid Mr T the compensation I've just mentioned yet – and because I

don't agree it needs to do more – I'm going to require Halifax to do what it has offered. That way Mr T can make Halifax's offer legally binding – should he wish to do so – by accepting this decision.

My final decision

Bank of Scotland plc trading as Halifax has already made an offer to pay £50 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Bank of Scotland plc trading as Halifax should pay £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 30 April 2026.

Nicolas Atkinson
Ombudsman