

complaint

Mr G complains that Bank of Scotland plc (trading as Halifax) applied unfair bank charges to his current account. Mr G wants Halifax to refund the charges as he is in financial difficulties.

Mr G also complains about the way he was treated when he asked the bank to downgrade his Packaged Bank Account (PBA).

background

Mr G's Halifax current account was upgraded to a PBA in 2011. In 2015, Mr G complained about the PBA fees and overdraft charges. Halifax refunded the monthly PBA fees together with interest in March 2015. The bank said the refund would include the PBA fees for April, May and June 2015. But Halifax has told this service that the refund didn't include the fees for these months. Mr G downgraded his account in May 2015.

Mr G wants Halifax to refund all overdraft charges on his account due to financial difficulties. Halifax has refunded and suspended some fees after Mr G made it aware of his financial difficulties. But it will not refund all of the fees as it says it has applied them in line with the terms of Mr G's account.

Mr G also complained about his bank manager. He says the manager intimidated him in to keeping the PBA when he met with him in March 2014. The manager denies the allegations.

Our adjudicator didn't consider that Mr G's complaint should be upheld. She explained that following the Supreme Court's decision on bank charges in November 2009, charges can't generally be challenged on the grounds they are too high or unfair. And Halifax doesn't have to refund or suspend charges because a customer is in financial difficulties.

Our adjudicator didn't reach any conclusion about Mr G's allegations against his bank manager as we hadn't received the manager's statement by the time she sent Mr G her opinion.

Mr G is unhappy that the bank won't refund his overdraft charges. And he doesn't think it has considered his allegation against the bank manager.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. In cases like this, where the evidence is inconclusive, I reach my decision on the balance of probabilities. That means I'll look at all the available evidence and decide what I think is most likely to have happened.

I agree with most of the conclusions of our adjudicator. But I did ask Halifax to reconsider its position on refunding the PBA fees for April and May 2015. The bank has now agreed to pay Mr G a total of £50, to include the PBA fees for April and May, together with a gesture of goodwill. I am satisfied this offer is fair and reasonable.

overdraft charges

Mr G wants Halifax to refund all overdraft charges since 2009 as he was in financial difficulties. Our adjudicator has already explained that I can't require the bank to refund the

bank charges on the basis they are too high or unfair. I can still consider whether Halifax treated Mr G sympathetically and reasonably once it became aware of his financial difficulties. But this doesn't necessarily mean that I would require Halifax to refund those charges.

I have seen copies of Mr G's bank statements going back to 2011. While Mr G had the PBA, he made regular use of his overdraft but only exceeded the limit a couple of times, and then by just a few pounds. Mr G has given us details of a handful of times that he exceeded the £500 limit in 2009 and 2010.

Mr G says he regularly went over the £300 fee free element of the overdraft and that this should have alerted Halifax to his financial situation. But I don't consider Mr G's account was being handled in a way that would've necessarily caused concern to Halifax. So I can't criticise the bank because it continued to apply charges in line with the terms of Mr G's account.

I appreciate that Mr G says he made Halifax aware of his financial difficulties before 2015, but the bank doesn't have any record of this. When Mr G spoke to the bank in February 2015, Halifax agreed to refund and write off some of the charges. Halifax also carried out a review and added a control function to help Mr G manage his finances. As I am persuaded that Halifax treated Mr G fairly when he told it about his situation, I can't reasonably require it to refund the overdraft charges.

allegations about Mr G's bank manager

Mr G says that when he tried to downgrade the PBA during a meeting in March 2014, the bank manager forced him to keep the account. Mr G says the manager threatened to bring in a member of staff and fire them in front of Mr G if he wanted to go ahead with the downgrade. I don't want to appear dismissive of Mr G's allegations – they are very serious. But Mr G says that he and the manager were alone in an office at the time. The manager says he would never force a customer to keep a particular account. And that he wouldn't have had the authority to fire a member of staff.

I can't be sure what happened during the meeting and I don't doubt Mr G's strength of feeling. But I don't have enough evidence to reasonably conclude that the Halifax bank manager intimidated Mr G in the way he alleges. And there isn't any note on Mr G's customer file to suggest that he complained about the manager at the time.

my final decision

My decision is that I uphold Mr G's complaint in part and direct Bank of Scotland plc to pay Mr G £50 in full and final settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 6 November 2015.

Gemma Bowen
ombudsman