

complaint

Mr L has a bank account with Bank of Scotland plc, trading as Halifax. He complains that he didn't receive a replacement debit card for his account. Mr L says that Halifax put a bankruptcy marker on his credit file by mistake and that this has stopped him getting card facilities.

background

Mr L says that the bank refused to give him a replacement debit card. He found out that Halifax had applied a bankruptcy marker to his credit file in error. He complained to the bank and says that it initially agreed to remove the marker but later said that it hadn't made a mistake.

The adjudicator said that a third party told the bank that Mr L was the subject of a debt relief order. He said that the bank applied the relevant marker to Mr L's details with the bank. The adjudicator explained that the bank uses the same marker for debt relief orders and bankruptcy. He said that, as the debt relief order didn't apply to any debts Mr L had with Halifax, it didn't send any information to credit reference agencies.

The adjudicator said that after the bank's final response to Mr L, it removed the debt relief marker from Mr L's records with it. He said that there was another marker about one of Mr L's accounts that was in debt recovery in 2010. The adjudicator said that he couldn't ask the bank to remove that marker as it was entitled to decide what information it wants to keep about customers. He said it was reasonable for it to do so, as it helps the bank make decisions about a customer's banking in the future. The adjudicator didn't think that he could ask the bank to do any more.

Mr L didn't agree with the adjudicator. He said that he wants compensation for the inconvenience, embarrassment and distress caused by the bank's staff insistence that he was bankrupt. He wanted details of the account that was in debt recovery and said that as it was in 2010, Halifax is required to remove the marker in 2016.

Mr L wanted Halifax to send him a debit card and pin for his account. He also wants compensation for his time, phone costs, inconvenience and significant distress. Mr L added that Halifax agreed to remove the marker but didn't do so.

Mr L contacted the adjudicator again to say that the reason he came to this service was because Halifax issued debit cards for his account but he didn't receive them. He says that the issue about the bankruptcy marker was a side issue, as it was the bank's excuse for the cards not arriving.

Mr L asked to speak to me before I made my decision. I did so. In summary, Mr L told me that his central problem was getting his debit card from Halifax. He says that he spoke with Halifax at the end of January 2016 and it told him that the marker was still on his account.

Mr L told me that he had now received his debit card but is still waiting for his PIN and personal security number for phone banking. He asked me to look at any customer records Halifax has about his call in early September 2015. Mr L explained how inconvenient and time consuming this has been. He wants Halifax to put a note on his file so he won't have problems in future if he needs a replacement card or PIN.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I appreciate that this matter has been very frustrating for Mr L.

Mr L told me that he has now received his debit card but not a PIN or personal security number for phone banking. Halifax says that the issue about the markers doesn't interfere with card services. Its guidance to staff is clear that the marker doesn't affect the day-to-day running of the account.

I'm satisfied that Halifax sent Mr L his new card, PIN and personal security number for phone banking. Mr L has received the card but not the other two items. Halifax used Mr L's correct address. Whilst I appreciate that it's very frustrating for Mr L that he didn't receive these items, I don't think Halifax made a mistake when it sent them out.

Some of the confusion may be because Halifax uses the same internal marker for a customer who has a debt relief order and one who is bankrupt. This service can't tell Halifax how to conduct its business but we can look to see if it has treated Mr L unfairly. I don't think it has here. Halifax became aware that Mr L was the subject of a debt relief order and it put a marker on his account. It was entitled to do that.

Mr L says that he spoke with Halifax in September 2015 and it agreed to uphold his complaint and remove the marker. Unfortunately, the recording of that phone call isn't available and its contact notes don't record it, so I don't know what was said then. In December 2015, Halifax said that it would see what it could do about removing the marker and it had done so by early January 2016. I don't think it needs to do any more in relation to the marker.

I've seen no evidence to show that Halifax recorded information about the debt relief order with credit reference agencies. It would have no reason to do so as I understand that the debt relief order didn't include any debt to Halifax.

There is a remaining marker on the details Halifax holds for Mr L that relates to a referral to debt recovery in 2010. In general, Halifax is entitled to keep whatever records it wishes of its past dealings with Mr L. I don't think that's unfair. As the adjudicator says, that enables Halifax to be better informed in its future dealings with Mr L.

Mr L says that he spoke with Halifax at the end of January 2016 and it told him that the marker was still on his details. There is still a marker relating to the account that was referred to debt recovery in 2010, so Halifax wasn't wrong to say that there was still a marker on Mr L's account.

Halifax says that Mr L can order a new PIN and personal security number over the phone or in branch. I suggest that Mr L asks Halifax for the outstanding items.

my final decision

I'm sorry to disappoint Mr L but for the reasons I've set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 22 April 2016.

Louise Povey
ombudsman