

complaint

Mr P complains that Bank of Scotland Plc trading as Halifax ("Halifax") didn't treat him fairly or reasonably following his wife's death and in giving him information about how to move their joint mortgage into his sole name and get a new product. He wants matters put right.

background

Mr P had a joint mortgage with Halifax, held jointly with his now deceased wife. After Mrs P's death, Mr P contacted Halifax to discuss how to transfer the mortgage into his sole name and then arrange a new mortgage product. He said that he was told to deal with the legal title and registration of the property first, which he said turned out to be unnecessary to deal with the mortgage issue. Mr P said he'd spent time and money, including contacting Halifax many times, trying to sort matters out.

Mr P complained to Halifax. It said to move the mortgage into Mr P's sole name, he was correctly told he needed to change the legal title into his sole name first and send evidence. To get a new product, he needed to have a mortgage review. But Halifax accepted that Mr P had suffered inconvenience and a lack of clarity as some information given to him was about the position in England, not Scotland. It paid £150 compensation for this, and offered to refund any extra interest he'd paid from 1 April 2017 if he had the mortgage review within three months. Mr P did arrange a new mortgage product and the extra interest was refunded.

Mr P complained to us as he'd felt he'd had to do all the work for Halifax. Halifax said he'd accepted its offer and said that Mr P had sent daily emails to staff who were away, despite being asked to call. The adjudicator's view was that it wasn't disputed that Halifax gave Mr P poor customer service. She felt Mr P deserved more compensation for the trouble and upset caused by Halifax and a further £200 should be paid. The adjudicator also pointed out that the role of this service wasn't to regulate lenders or to punish them.

Halifax agreed, but Mr P disagreed with the adjudicator's view. While he agreed more compensation should be paid, he strongly felt Halifax had ignored his emails and needed him to explain Scots law to it. The adjudicator explained again that this service couldn't punish businesses.

my findings

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

It's clear that Halifax accepts it hasn't dealt with Mr P very well. It gave poor customer service. And because Mr P had been recently bereaved, the impact upon him was even more distressing. But I can't say having looked at the evidence before me, Halifax was incorrect in saying Mr P needed to update the registration of the legal title of his property before taking out a new mortgage product in his name. Lenders are able to use their own commercial judgement about their lending policies, and this is what was required by Halifax. I accept it must've been distressing for English legal terms to have been used when dealing with Mr P, and Halifax accepts this too.

But fundamentally, Mr P was able to get the new product he wished. It's fair and reasonable for Halifax to have refunded the extra interest he paid from 1 April 2017, and it's also fair and reasonable for Mr P to receive compensation for the customer service failings of Halifax. I note Mr P did send many emails to Halifax. While I accept it couldn't easily deal with those emails as it's an insecure medium and only accessible to the staff to whom those emails were sent (who were away), and Mr P was given a telephone number, I think Halifax should've acknowledged receipt of those emails as soon as it reasonably could've. There's no record of any response, which Halifax accepts was unfair and unreasonable.

While money never truly compensates for trouble and upset suffered, particularly at such a difficult time for Mr P, I think a further £200 compensation is fair and reasonable in all the circumstances. I accept that this can't change what happened, but is consistent with the guidance of this service and fairly reflects as much as possible Mr P's distress and inconvenience.

my final decision

My final decision is that I uphold the complaint and Bank of Scotland Plc should pay a further £200 compensation to Mr P. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 9 April 2018.

Claire Sharp
ombudsman