

## **The complaint**

Mr C complains Bank of Scotland plc trading as Halifax (Halifax) have failed to recall a balance transfer made in error to another bank.

## **What happened**

Mr C had a credit card account with another bank (B) and in October 2019 made a balance transfer to that account from his Halifax credit card account. In January 2020 Mr C noticed that B were still charging him for the balance he believed he had settled. On investigation Mr C was told by Halifax that he had made an error on the online balance transfer details and the payment had been credited to another account. Mr C says Halifax attempted a recall of the payment but were unsuccessful and he was told his only option was to take legal action to recover the monies.

Halifax says Mr C made the error and while they have tried to obtain a recall, the receiving bank customer has refused to return the funds. Halifax says they have no authority to debit the receiving banks customers credit card account to recover the monies and they have done all they can here.

Mr C wasn't happy with Halifax's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator says Halifax weren't responsible for the mistake in keying the wrong account details and have attempted to recall the balance transfer. The investigator felt Halifax had fulfilled their duties and within a reasonable timeframe and they are unable to make the receiving bank customer return the monies sent in error.

Mr C wasn't happy with the investigator's view and asked for the matter to be referred to an ombudsman for a final decision.

## **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.

Having done so, I have come to the same outcome as the investigator and I will explain how I have come to my decision.

I can understand how upsetting it must have been for Mr C to be told Halifax had been unsuccessful in recalling the balance transfer. When considering this complaint, I have looked at whether Halifax were at fault here and if they could have done more to recall the balance transfer.

What happened here is Mr C completed an online balance transfer to his credit card account with B from his Halifax credit card account in October 2019. He then noticed in January 2020 he was still being charged on his credit card account with B and on investigation discovered the balance hadn't been repaid because of an input error on the balance transfer.

I can see that Halifax attempted to recall the balance transfer and chased B but the recipient bank's customer, where the funds were credited, refused to return the payment. Halifax then advised Mr C they had done all they could, and he would need to take legal steps to recover the funds.

Mr C's representative says Mr C may have incorrectly input the account details, but the payment had his name detailed on it and Halifax should have been aware of this and could have done more to recover the funds. I understand the point made here, but transfers are made based on the credit card account number details and it was Mr C's responsibility to correctly input his account details on the balance transfer. From all the evidence provided to this service I am satisfied that Mr C entered the incorrect balance transfer details online himself. We have been provided with screen shots to evidence this and there is nothing to suggest that Halifax have made an error here.

It's worth mentioning the terms and conditions of the credit card agreement under section B2.6 says:

"If there was a mistake in your instruction or we can show that the other bank received the transfer, we are not responsible for it, but we will try to trace and recover the money for you on request."

I have considered Mr C's representative point that Halifax could have done more to recover the balance transfer – I can see that Halifax undertook a recall of the balance transfer soon after they were advised by Mr C and followed this up by chasing the recipient bank. This is carried out on a best endeavours basis as the terms and conditions indicate, but unfortunately in this case the recipient customer has refused to return the monies. While I can understand how disappointing that must be for Mr C I can't see that Halifax have any authority here to demand the return of the balance transfer. It follows I am satisfied Halifax have acted fairly in attempting to recall the balance transfer, but given the initial mistake wasn't of their making I can't hold them responsible for the non-return of the payment.

While Mr C will be disappointed with my decision, I won't be asking anymore of Halifax here.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 29 January 2021.

Barry White  
**Ombudsman**