

The complaint

Mrs M complains about the service she received from Bank of Scotland plc trading as Halifax ("Halifax"). In particular, she is unhappy that it incorrectly applied a deceased marker to her profile resulting in transactions being declined and direct debits being cancelled. She is also unhappy at the time it took to send her title deeds and her savings card.

What happened

On 18 April 2023 Halifax incorrectly applied a 'deceased marker' to Mrs M's profile resulting in her direct debits being cancelled and transactions being declined from her current account. The marker was removed on 19 April and Mrs M regained full access to her account shortly afterwards following a trip to a branch of Halifax where she reordered a debit card. Mrs M's statements show she was able to make a debit card transaction on 28 April.

Mrs M also had problems with her savings card not working and is unhappy Halifax didn't replace it until December 2023 when she says it should've been replaced in April.

Finally, Mrs M says Halifax failed to send her title deeds in a timely manner and that when it did send them they contained documents from a third party

Mrs M complained to Halifax. Halifax accepted its service hadn't been as good as it should have been and it made a mistake in applying the deceased marker to her profile and reimbursed Mrs M for travel costs incurred of £2 and following bringing her complaint to this service, offered compensation of £350 for the distress and inconvenience caused. It also offered to reimburse Mrs M for any other costs incurred if Mrs M provided it with the details.

Mrs M is dissatisfied with this. One of our investigator's looked into Mrs M's concerns and thought the offer of compensation was fair and in-line with what this service would recommend in the circumstances.

Mrs M disagreed. She says the compensation is at the lower end of what she believes is usually awarded and that Halifax had failed to reinstate direct debits after saying it would which meant she had to do it herself, causing embarrassment and extra work while also having to deal with her late husband's estate.

So, Mrs M's complaint has been progressed for an ombudsman's decision on the matter.

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 hope that Mrs M won't take it as a discourtesy that I've condensed her complaint in the way that I have. The facts are well known to both parties, so I don't see any merit in repeating them in detail here and ours being an informal dispute resolution service I've concentrated on what I consider to be the crux of the complaint. Our rules allow me to do that.

My role is to look at the problems Mrs M has experienced and see if Halifax has done anything wrong or treated her unfairly. If it has, I would seek – if possible - to put Mrs M back in the position she would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

In this case there is no dispute that Halifax incorrectly applied a 'deceased marker' to her profile resulting in her direct debits being cancelled and other transactions being declined. There is also no dispute that Halifax failed to send her a card for her savings account in a timely manner and made further errors when she requested her title deeds.

My understanding is that all Mrs M's direct debits have been reinstated – all but the water bill having been reinstated by Halifax and she hasn't incurred any charges or fees due to this. Furthermore, Mrs M also received both her debit and savings cards and title deeds as requested and that the later of which were in fact sent within the time frame Halifax stated. So Mrs M is now in the position she'd be in had the mistakes not happened.

So what I have to decide is whether the reimbursement of costs incurred and £350 compensation offered by Halifax is a fair and reasonable amount of compensation for the distress and suffering Mrs M endured as a result of its errors. And I think it is.

Although Mrs M wasn't able to use her debit card for a short period of time, she was still able to access her money through a visit to a branch which she did when her debit card was declined and would've at this point had the opportunity to withdraw the funds she needed until her new debit card arrived a short period after. And the same can be said regarding accessing the money in her savings account - she only discovered her card wasn't working in December 2023 and was able to get around this by transferring money from one account to the other until the new card was received.

I haven't seen any evidence that Mrs M has suffered financial losses due to the mistakes Halifax made and understand Halifax has reimbursed her for the cost of travel to the branch and has also offered further reimbursement of costs should Mrs M provide the details.

Mrs M doesn't think the £350 compensation offered is enough, as she had to spend some time reinstating a direct debit for her water bill herself which caused her embarrassment and extra work while dealing with her husband's estate.

I appreciate the strength of Mrs M's feelings about all that has happened and that she has lost confidence in Halifax as her bank and has been caused some inconvenience and upset at what was no doubt a very difficult time for her personally and I do sympathise. But things don't always go smoothly and mistakes happen and our role isn't to punish or penalise the businesses we cover.

I accept Halifax's actions caused stress and anxiety for Mrs M, but overall, I can't say Mrs M's financial situation got significantly worse as a result of Halifax's error. And nor can I see that Mrs M has suffered any financial detriment due to Halifax's mistakes. I understand Mrs M feels that the compensation offered is at the lower end of what we'd award in situations such as hers, but it is in line with what we'd usually recommend and I'm not persuaded that awarding any further compensation would make a material difference to Mrs M's situation.

So, in these circumstances I think the recommended total compensation of £350 is fair and a reasonable way to settle Mrs M's complaint for the distress and inconvenience caused to her.

My final decision

For the reasons I've explained, I've decided that Bank of Scotland plc have done enough to settle Mrs M's complaint and I'm not going to ask it do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 17 May 2024.

Caroline Davies
Ombudsman