

The complaint

Mr F complains that Bank of Scotland plc trading as Halifax didn't make him aware that an interest free promotion on his credit card had ended.

What happened

On 23 January 2020 Mr F transferred a balance to his Halifax credit card in order to take advantage of a promotional offer of 0% interest for two years. The sum transferred was £8075.00 and the transfer attracted a money transfer fee of £242.25.

Mr F says that when he took out the card, Halifax wasn't able to provide him with an exact date for the end of the 0% promotional offer because it depended on how long it took to set up the account, Mr F says that Halifax told him that it would remind him of the promotion end date.

Mr F says that he didn't receive a reminder of the promotion end date. He also says that he didn't receive any statements. As a result of this, Mr F missed the promotion end date, and it was only much later in August 2023 whilst on holiday that he discovered that the account had a large balance on it and was accruing interest each month.

Mr F contacted Halifax on his return from holiday and was advised that the promotional offer had ended on 22 January 2022.

Mr F complained to Halifax about the interest which had been added to the account. He said he hadn't received any hard copy statements or any reminder that the promotion was coming to an end.

Halifax didn't uphold the complaint. In its final response dated 12 September 2023 it said it hadn't made an error because Mr F had been advised of the expiry date of the offer at the time he took the balance transfer out and had also been advised on each monthly statement. Halifax said that as a gesture of goodwill it would refund £114.67 interest from Mr F's most recent statement.

Mr F remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. He said that having reviewed the evidence he was satisfied that Halifax had made Mr F aware of the interest free period end date via various communication channels.

Mr F didn't agree. He said he hadn't been given an interest free period end date at the outset, and that he'd been changed to electronic statements rather than paper ones and didn't have online banking set up so was unable to check these. Mr F said that he never received the text that Halifax said it had sent him advising him that the promotion was ending.

Because Mr F didn't agree the complaint has been passed to me – an ombudsman – for review.

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've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it isn't because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Where the information I've got is incomplete, unclear or contradictory, as some of it is here, I have to reach a decision based on the balance of probabilities.

Mr F has said that when he completed the balance transfer, Halifax wasn't able to provide him with an end date for the promotion. Mr F has also said that Halifax told him that it would send him a reminder of the promotion end date.

I've reviewed the terms and conditions of the account. These were accepted by Mr F when he signed the agreement. My understanding of the terms and conditions is that the 0% promotional rate started on the date when Mr F made his first transaction. Mr F's first transaction was the money transfer on 23 January 2020. I've thought about what Mr F has said. Even if Halifax didn't advise him of the end date of the promotional rate when he took out the card, I'm satisfied that Mr F was provided with sufficient information to be able to work out when the end date of the promotion would be. Mr F knew that the promotion was for two years, and he would've been able to see when his balance transfer completed. Even if I'm wrong about that, at the very least Mr F would've been aware that the 0% promotion would end in January 2022.

I've reviewed the monthly statements for the account for the period February 2020 to January 2022. All of these show the expiry date of the promotional rate as 22 January 2022. Further, on the December 2021 statement, under the heading "Important Information" and the sub heading "Balance transfer or money transfer expiry message", it clearly states that the promotional interest rate of 0% for the balance transfer or money transfer made on 23 January 2020 is ending on 22 January 2022, and that after this date, any remaining balance linked to this promotional rate will be charged at the standard interest rate for balance transfers or money transfers.

I've also reviewed the February 2022 statement and the statements thereafter. These show that the promotion rate has ended and that interest is being charged.

Based on what I've seen, I can't see that Halifax has made an error by charging interest. The promotional rate was clearly stated to be for two years and the end date for the promotion is clearly set out on every statement up to and including the December 2021 statement. The terms and conditions of the account – which Mr F agreed to – state that interest will apply once the promotional rate has ended.

Mr F has said that he didn't receive any statements. He's said that he was no longer sent paper statements, although he doesn't say when he stopped receiving paper statements. He's also said that he didn't have online banking set up for this credit card, and that he wasn't checking his account online.

I can't tell from the information provided whether paper statements were initially sent to Mr F or not. But even if Mr F wasn't receiving paper statements, he would've been aware of this and could've contacted Halifax to request paper statements. In any event, if Mr F wasn't receiving paper statements) he would've been receiving paperless (electronic) statements

and would've been able to view these online. I appreciate that Mr F has said that he didn't have online banking set up, but I haven't seen any evidence to suggest that he wasn't able to set up and use online banking. I've also noted that Mr F has said that he used a mobile app to view the balance when he was on holiday in August 2023, so this was another means by which he could've viewed his statements from February 2020 onwards.

I've reviewed the records provided by Halifax. These show that a SMS text message was sent to Mr F at the number held on record for him on 31 December 2021. The text message notified Mr F that his promotional rate was due to expire on 22 January 2022. Mr F has said that he didn't receive this text message, but I'm persuaded by the evidence that the message was sent. If there was an issue with Mr F's network provider not delivering the text message, this isn't something I can fairly hold Halifax responsible for.

Taking all the available information into account, I'm satisfied that Halifax took reasonable steps to notify Mr F of the end date of the promotion. I haven't seen any evidence to suggest that Halifax made an error or treated Mr F unfairly by applying interest after the promotion had ended.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 10 September 2024.

Emma Davy
Ombudsman