

The complaint

Mr S is unhappy with Bank of Scotland plc trading as Halifax. He attempted to pay in a cheque using the cash machine, but it wouldn't accept it. So, he attempted to pay the cheque into his account inside the branch. But the counter staff again declined the cheque. Mr S wants compensation for this.

What happened

Despite the attempts at his local branch to pay in the cheque both through the cash machine and at the counter Mr S wasn't given a reason why Halifax wouldn't accept it. Mr S expected Halifax to be able to explain this. He couldn't see that there was anything wrong with it. He said, *"the sums matched, it was made out in the correct name, was signed, and recently dated."* He also pointed out that *"The cashier declined to say what was wrong with it, only that they could not accept it."* As he couldn't get an answer Mr S brought his complaint to this service.

Our investigator didn't uphold the complaint. He said Barclays had said the cheque couldn't be paid because part of the amount had been written numerically rather than in words. Our investigator noted that the money was eventually paid by bank transfer roughly five weeks later. He said Mr S hadn't lost out financially, so he didn't feel compensation was required.

Mr S didn't accept this. He pointed out that Halifax hadn't said it couldn't pay the cheque because some of the amount was written numerically. He said Halifax said he needed to contact the cheque provider to ask it why the cheque couldn't be paid in.

Mr S asked for his complaint to be passed to an ombudsman for a decision.

In my recent provisional decision, I said:

"I can entirely understand Ms S's frustration that Halifax hasn't explained to him why both the machine and the counter staff were unable to accept his cheque. Mr S did as Halifax suggested and contacted the cheque provider asking for an explanation. They responded to say Mr S would need to take the matter up with the bank. The cheque provider was unable to give a reason and Halifax said to Mr S "we're unable to see the reason for the cheque being returned."

When issuing a final response to Mr S Halifax said "I've personally looked over the cheque image you sent in, and noticed where the amount is spelled out in words, part of this sum was then numerically entered. In this section this needs to be words of the amount only, as there's a separate section for the numerical value." I tend to agree with Mr S that Halifax doesn't seem here to be giving a reason. It's more like an observation. At another point Halifax said, "From the picture of the cheque provided to us, we can visually see that the way the worded number part was included, this also included a numeric number which could be the reason why the cheque was returned." Again, suggesting Halifax didn't know the exact reason why it wouldn't accept the cheque.

Mr S had to go back to the cheque provider on at least two occasions. Firstly, to ask questions that it wasn't able to answer about why he couldn't cash the cheque. And secondly, to ask it to pay him another way which it did a few weeks later. Halifax confirmed that eventually the amount was paid into Mr S's account by the faster payment option on 9 October.

Mr S said he had paid in cheques written out the same way previously. Mr S has recently sent us proof of paying in a similar cheque from the same provider since this incident. This later cheque was accepted and went through Halifax's system without any issues.

Halifax didn't offer any options or solutions. It didn't have any answers and it left Mr S to deal with the problem. I don't think that's fair or reasonable. Mr S was clear about paying in such cheques previously and has done it again since. In this complaint the cheque is written out in exactly the same way as the cheque Halifax has more recently accepted without question.

Mr S was without his money for several weeks and had to deal with the cheque provider and Halifax throughout. I think there was extra work for Mr S and it's clear this would have had an impact on him. I think Halifax offered very little in the way of help, support, or resolution. I think Halifax should pay Mr S £50 compensation for the distress and inconvenience it caused him in trying to get the cheque paid."

responses to my provisional decision

Halifax accepted the decision. And asked this service to let it know if/when this is accepted by Mr S and payment will be arranged.

Mr S said thank you and that he is happy with the 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.

As both the parties accept my provisional decision, I don't intend to change it. My provisional decision becomes my final decision.

Putting things right

- Pay Mr S £50 compensation for the distress and inconvenience he suffered.

My final decision

I uphold this complaint.

I require Bank of Scotland plc trading as Halifax to:

- Pay Mr S £50 compensation for the distress and inconvenience he suffered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 1 August 2024.

John Quinlan
Ombudsman