

complaint

Mr and Mrs T currently live abroad and complain that Bank of Scotland plc (trading as Halifax) has recently started to charge a 2.75% foreign exchange fee. Before this, they say that Halifax was only charging them £1.50 for each withdrawal made using their debit card abroad. Mr and Mrs T want Halifax to refund the exchange fees they have paid for the past three and a half years.

our initial conclusions

The adjudicator concluded that Halifax had not done anything wrong in charging the fee. The bank's terms and conditions say that it will charge a 2.75% foreign exchange fee. The only change in procedure has been that previously this fee was not listed individually on Mr and Mrs T's statement. Mr and Mrs T disagreed with the conclusion of the adjudicator. They say that until the fee was itemised, it was hidden from them and they did not realise that the bank was charging them the fee.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mr and Mrs T and Bank of Scotland plc (trading as Halifax) have provided. I have reached the same conclusion as the adjudicator. The bank is entitled to charge the foreign exchange fee and has done so for some time. The only change is that in order to make its charges more transparent to customers, the fee is now listed separately on bank statements. Previously, the fee was charged but it was incorporated in to the exchange rate shown on the statement.

Mr and Mrs T have admitted that they did not read the bank's terms and conditions previously. So they have only just realised that the fee was being charged. But this does not mean that they should be given a refund of the fees paid in the past.

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs T either to accept or reject my decision before 4 March 2014.

Gemma Bowen

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.