

## **The complaint**

Mr K complains about a blocked payment on his account with Bank of Scotland plc trading as Halifax (“Halifax”).

## **What happened**

Mr K says he travelled to London to make an investment and due to the amount, the payment was blocked. Mr K says he understood why it was blocked, but he then spoke to a member of staff on the phone and even though he answered all the security questions, the account was blocked, and Mr K was asked to attend a branch with identification documents.

Mr K says he did this, but this meant he couldn’t make the investment until the next day and the only branch that was open was back in London. Mr K also said due to the block on his account, he couldn’t make other essential purchases. So, he raised a complaint with Halifax.

Halifax looked into the account but didn’t think it had done anything wrong. Halifax did agree to honour £40 compensation that it offered on an earlier call.

Our investigator looked into the complaint but didn’t think it should be upheld. Our investigator said the terms and conditions of Mr K’s account allow the bank to stop payments if it has concerns about fraud. Our investigator found it was in Mr K’s best interests to stop the payment and check he wasn’t being scammed.

Mr K didn’t agree with the investigator’s view. So, the complaint’s been passed to me 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’ve come to the same outcome as the investigator for largely the same reasons. I’ll explain why.

I’m very aware that I’ve summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I’ve focussed on what I think is the heart of the matter here. If there’s something I’ve not mentioned, it isn’t because I’ve ignored it. I haven’t. I’m satisfied I don’t need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

It’s clear from the terms and conditions of the account that I’ve seen that Halifax can freeze or block transactions if it has concerns about them. Mr K also confirms on the call to our investigator when he brought the complaint to our service that he understands why the payment may have been blocked.

Mr K’s main complaint appears to be in relation to the call he had with the fraud advisor

following the block, and the fact his account was then frozen. Mr K says he feels he answered all the questions required of him and this didn't release the payment and he then couldn't make any further purchases.

Having seen the internal notes completed at the time of the call, the advisor still had concerns over the payment and whether Mr K was at risk of financial harm. Although I know this must have been frustrating for Mr K, I'm satisfied the bank was acting with good intentions and the action it took was to prevent Mr K's money from getting in the hands of a scammer.

Halifax have pointed out that the size of the payment was out of character for Mr K's account. I've seen Mr K's spending up the point of the transaction and I agree it does look unusual and out of character for the account. It also almost cleared the balance of the account once paid.

Mr K has indicated that he wants our service to encourage Halifax to change its fraud procedures. Although I understand the point Mr K is making here, it's not for this service to dictate how Halifax configures its fraud protection systems. It does have a difficult balance to strike in how it does this to enable it to detect unusual activity or activity that might otherwise indicate a higher than usual risk of fraud, when its processing millions of payments each day.

Mr K has said that the locking of his account meant he was unable to pay bills, travel or eat. Halifax has confirmed that Mr K could still use his card in this period. Mr K also visited the branch the following day, so the amount of time the account was locked for was very small. Although I can understand Mr K's frustration at the account being blocked for even a relatively small time, I'm satisfied he wasn't treated unfairly or against the terms of the account when it was done. Mr K was also told on a call with an advisor on the day the payment was blocked that he could still use his cards.

In summary and taking everything into account in the circumstances of this complaint. I'm satisfied no error has been made by Halifax and Mr K hasn't been treated unfairly when he was taken through the additional security process.

Mr K is free to except the £40 previously offered by Halifax if he hasn't done so already.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 09 April 2024.

Tom Wagstaff  
**Ombudsman**