

## **The complaint**

Mr B complains that Bank of Scotland Plc (trading as Halifax) blocked his account and has not adequately compensated him for the inconvenience that caused.

## **What happened**

On 24 March 2022 Halifax received a report that Mr B's account had received funds as a result of fraudulent activity. Halifax therefore blocked Mr B's account while it looked into this claim.

Mr B discovered his account was blocked the next day and subsequently spent time visiting a branch and calling Halifax trying to resolve this issue. Halifax removed the block on Mr B's account on 1 April 2022.

Mr B was unhappy with how Halifax had handled things and so raised a complaint. Halifax looked into his concerns and agreed it should have notified him when it added the block to his account, so it offered him £30 for the cost of his calls and £100 for the distress and inconvenience caused by this. But Halifax didn't agree it had done anything wrong in adding the block to Mr B's account in the first place or in how long it took to remove the block.

Mr B was unhappy with Halifax's response, he feels that any compensation should reflect his hourly wage and the hours he spent dealing with Halifax regarding this complaint.

One of our Investigators looked into what had happened and, overall, they agreed with Halifax's approach and felt the compensation offered was fair. Mr B remained unhappy, so his case has been passed to me 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.

Having done so I've reached the same conclusions as our investigator and for the same reasons.

I appreciate that it was frustrating for Mr B when his account was blocked. But banks have an obligation to act on and investigate any reports of fraudulent behaviour on an account. Halifax had been told that Mr B had received funds fraudulently and I consider it was reasonable for it to block his account – to ensure any remaining funds could not be spent – and to then investigate this report before agreeing to unblock the account.

I understand that it then took around a week for Mr B's account to be unblocked, but I don't consider that to be an unreasonable length of time. Mr B had provided evidence to support his assertion that no fraud had taken place, but it was reasonable for Halifax to take time to consider that evidence.

Overall then, I'm satisfied that it was reasonable for Halifax to place the temporary block on Mr B's account, and that it was also reasonable for it to then take some time for the block to be removed. I also note that during this period Halifax did, on one occasion, nonetheless allow Mr B to withdraw some funds from his account that had recently been paid in so that he wasn't without access to money.

It follows that as I don't think Halifax caused any unreasonable delays here I won't be asking it to compensate Mr B for the time it took for his account to be unblocked or for the time Mr B spent contacting Halifax about this issue.

I do acknowledge that, as Halifax has itself noted, it should have told Mr B the block had been added to his account in the first place, and this did cause Mr B some distress and inconvenience as he was unaware of the block until he tried to use his account. But I'm satisfied that Halifax's offer of £30 for the calls Mr B made and £100 for the distress and inconvenience caused is reasonable in all the circumstances of this complaint.

I appreciate that Mr B feels he should receive much higher compensation – in line with his hourly rate and the time he has spent dealing with this complaint – but that is not how we determine the appropriate award in the cases we consider. The £130 that Halifax has offered is in line with what I would have awarded, so while I appreciate this will be very disappointing for Mr B, I won't be asking Halifax to increase that award.

### **Putting things right**

Halifax should pay Mr B the £130 it has offered, if it hadn't done so already.

### **My final decision**

I do not uphold this complaint. Bank of Scotland plc (trading as Halifax) should put things right in the way I've set out above as I am satisfied that what it had already offered was reasonable.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 29 June 2023.

Sophie Mitchell  
**Ombudsman**