

The complaint

Mr A complains that Bank of Scotland plc trading as Halifax blocked a transaction and his account and had to go into branch. He would like compensation for this and the service issues he encountered.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr A had an account with Halifax. On 25 July 2022 Mr A wanted to transfer some money online to a family member abroad. Halifax blocked the transfer and blocked the account for review. They asked Mr A to go into branch with identification to complete the transfer.

Mr A has said he couldn't go into branch without losing income as he works from home. Mr A attended branch on 28 July 2022. He completed the transfer, and his account was unblocked. Mr A raised a complaint with Halifax whilst in branch.

Mr A was concerned with an acknowledgement email he received from the complaint handler. He said the spelling errors made him concerned this was a scam email. And he was traumatised by the email. Halifax apologised for the spelling error in the email and offered Mr A £25 compensation for this.

Mr A also said that he had been offended by a comment made by the complaint handler in one of the calls he made. He said "I don't know what kind of phone you use" Mr A says he felt humiliated by this comment. Mr A thought this was an inappropriate comment. And it was derogatory.

Mr A said he wanted compensation for the loss of earnings and for the distress he suffered as a result of the spelling mistakes and the comment on the phone.

Halifax in their final response said they didn't think the complaint handler was being judgemental or suggesting there was anything wrong with Mr A's phone.

Mr A complained to our service. One of our investigators looked into the complaint. He said Halifax hadn't done anything wrong when reviewing the account and having looked at evidence provided to our service, he thought Halifax were entitled to ask Mr A to come into branch to complete the transfer. He thought £25 compensation offered by Halifax for the administrative error on the email was fair and he didn't think Halifax needed to do anything else regarding the comment about Mr A's phone as the call handler had apologised on the call.

Mr A was unhappy with the view he said Halifax errors in the email made Mr A think this was a scam and he would have expected a better standard from Halifax. He also thought the comment regarding his phone made him feel humiliated. He said the comment was unprofessional and unacceptable. Mr A thought he should receive the loss of earnings for

the time he had to go into branch as he doesn't think making him go into branch was necessary. Mr A thought he should be paid £100 compensation.

As there was no agreement the matter has come to me to decide.

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 the investigator has already explained, Halifax has extensive legal and regulatory responsibilities they must meet when providing account services to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. To fulfil these obligations, they may need to review activity taking place on accounts and ask customers for information, for example about payments, and information about the individuals operating the accounts – it's the bank's duty to reasonably ensure accounts are being used in the way they should and to protect the money which is held in them. In order to fulfil these obligations, banks sometimes block an account. The account terms and conditions also permit Halifax to block an account and ask a customer for more information.

In Mr A's case Halifax asked him to go into branch with identification before carrying out a payment and they blocked his account in the meantime.

Based on all the evidence I've seen I'm satisfied that Halifax were acting in line with these obligations and the account terms when it blocked Mr A's account and asked him to go into branch with his identification.

Mr A has said that he lost out on his earnings because he had to attend branch. I appreciate that Mr A had to attend branch in a working day during working hours and this was inconvenient to him. Having said that I'm satisfied that Halifax were entitled to ask Mr A to attend branch and because the bank haven't made an error here, I can't ask them to pay Mr A for his loss of earnings.

Mr A has also mentioned that he received an email with a spelling error – this caused him to think that his details had fallen into the hands of scammers. I appreciate that this was concerning to Mr A. Nationwide recognised the grammatical error and offered Mr A £25 in compensation. Mr A refused this amount as he didn't think this was enough.

I have seen the email and I appreciate what Mr A has said about scammers I've also taken into account that Halifax have said this was a spelling error, so I'm satisfied that £25 is reasonable compensation for this error.

Mr A has also complained that the complaint handler made a derogatory remark about his phone on a call in September 2022. I have listened to the call, and I am aware that the line was very bad. I know Mr A has said that the Halifax representative should have mentioned the line was bad not question what phone Mr A was using. Having listened to the call I accept that the call handler could have used different words, but I don't think the question was derogatory nor was the tone of the question derogatory. As I don't think any derogatory remarks were made, I won't be asking Halifax to pay compensation here.

I know Mr A will be disappointed with my decision but having looked at everything I think the £25 offered by Halifax is fair compensation and I won't be asking them to pay anything else.

My final decision

For the reasons stated above I partially uphold this complaint. I direct Bank of Scotland plc trading as Halifax to pay Mr S £25 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 8 May 2024.

Esperanza Fuentes
Ombudsman