

## **The complaint**

Mr V complains that Bank of Scotland plc (trading in this case under its Halifax brand) blocked his bank account without telling him why.

## **What happened**

Mr V held a Halifax current account. On 22 December 2023 Halifax placed a block on the account, meaning Mr V could not use it. Following a payment into the account of £1.3 million on 21 December 2023 and two payments out on the same day, the balance at the time was nearly £1.2 million.

On 25 January 2024 the police obtained a freezing order under the Proceeds of Crime Act 2002. The order made specific reference to Mr V's account with Halifax. The order was lifted on 6 February 2024, after which Mr V was able to operate the account normally again.

Mr V complained to Halifax. It said that it had not done anything wrong. Mr V did not accept that and referred the matter to this service.

On 24 July 2024 Halifax wrote to Mr V to tell him that it would be closing his account after 65 days.

One of our investigators considered what had happened but did not recommend that Mr V's complaint be upheld. He thought the bank's actions had been reasonable.

Mr V did not accept the investigator's view and asked that an ombudsman review the case.

## **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.

Banks have certain legal and regulatory obligations when dealing with customers' accounts. In some cases they may be entitled to restrict the operation of an account as a result; in others they may be obliged to do so. Those restrictions may include suspending certain features, but can also include – as was the case here – a complete block.

Having reviewed what happened here, I am satisfied that Halifax acted correctly in blocking Mr V's account in December 2023 while it carried out a review. From 6 January 2024 it was under a duty to block the account, because of the court order.

Once the court order was lifted, Halifax removed the block promptly, allowing Mr V access to the account again.

I note that Halifax later gave Mr V notice that it would be closing the account. That however post-dates the referral to this service of Mr V's complaint about the block. I have not therefore considered the account closure as part of this complaint, and I make no comment on it.

**My final decision**

For these reasons, my final decision is that I do not uphold Mr V's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 27 December 2024.

Mike Ingram  
**Ombudsman**