

The complaint

Mr Q complains Bank of Scotland plc trading as Halifax (Halifax) unfairly blocked his online banking service.

What happened

Mr Q says he attempted to make a payment to his mother as he had on many previous occasions, using his online banking app but the payment was rejected. Mr Q says he then telephoned Halifax but after a long phone call he failed security as it suggested a fraud may have been committed on his account.

Mr Q says Halifax have blocked his online banking which makes matters challenging for him, and the only way it will reinstate this is if he visits his branch with formal identification, even though it is aware he has mobility issues that makes that option very difficult.

Mr Q wants Halifax to reinstate his online banking facility.

Halifax says a temporary block was placed on Mr Q's online banking facility as it was unable to properly identify him after he called regarding a failed online payment. Halifax says to reinstate the online banking facility he would need to visit a local branch with suitable identification.

Halifax have explained the security of his bank account is important and the block was placed on the account to protect Mr Q.

Mr Q wasn't happy with Halifax's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator says Halifax have a responsibility to try and keep its customers' accounts safe from fraud and scams and on occasions will block legitimate payments if it has security concerns.

The investigator says Halifax's terms and conditions state a customer must provide certain information it asks for in these circumstances and it's reasonable for Halifax not to remove any blocks until the process has been completed successfully.

The investigator pointed out Mr Q had used his debit card in person on a number of occasions, so on that basis it would be possible for him to visit a branch with the required documentation. Additionally, the investigator pointed out the block on his mobile banking hadn't prevented any existing payments and card purchases going through his account.

So, the investigator didn't feel Halifax had done anything wrong here.

Mr Q didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman 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 won't be upholding this complaint and I will explain how I have come to my decision.

I was sorry to hear of Mr Q's general health issues and that must be difficult for him. When looking at this complaint I will consider if Halifax acted reasonably when it blocked Mr Q's online banking facility and asked for identification before it would reinstate it.

Mr Q's complaint centres around the issues he faced when a payment he had made to his mother's bank account online was blocked, even though he had made several payments like this before.

Mr Q says he failed to correctly answer the security questions and as a result Halifax blocked his online banking facility until he provided further identification in branch, which was difficult for him because he has mobility issues.

The first thing to say here is banks like Halifax have a responsibility to protect its customers from potential scams and frauds which sadly is an increasing activity it has to deal with. So, from time-to-time banks will carry out further security checks and ask for further information and identification when it feels necessary and this is detailed in its terms and conditions.

Here, Mr Q wasn't able to complete the security questions asked and in order to protect his account Halifax blocked his online banking and then asked him to provide identification before it would remove the block.

While I can understand that would have proved inconvenient for Mr Q I can't say Halifax have acted unfairly here or singled Mr Q out, as this is part of its process in those circumstances. Halifax didn't restrict Mr Q's regular payments from his bank account or debit card transactions and Mr Q had used his card in person during this episode, suggesting he was able to leave home to make such payments.

I can also see Halifax did ask Mr Q to call them to discuss the matter but Mr Q says he wasn't able to get through to the fraud department when he attempted to.

During the course of this investigation, Halifax have since informed this service that Mr Q can now speak to its complaints department quoting his complaint reference, who will transfer him to the fraud team in order to remove the restriction and says it has left a note on its records to initiate a "*warm transfer*".

While Mr Q may not agree, I am satisfied that is a fair and reasonable way to resolve Mr Q's issue with his online banking and I will ask the investigator to provide him with the telephone number Halifax have provided this service. With that in mind I won't be asking anymore of Halifax here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 3 June 2025.

Barry White
Ombudsman