

## **The complaint**

Mr D complains that Bank of Scotland plc trading as Halifax (Halifax) blocked his account unnecessarily and didn't inform him about it.

## **What happened**

Mr D had a bank account with Halifax.

In April 2024, Halifax blocked Mr D's account. Halifax said they emailed Mr D in March 2024 and April 2024 requesting information for their records. They didn't receive a response, so they blocked Mr D's account.

Mr D said he didn't receive the emails. So, when he realised his account was blocked, he attended his local branch. He did this several times and was told to call a specific team at Halifax. In May he attended branch and provided the necessary information for his account to be unblocked.

However, Mr D was unhappy, so he raised a complaint. Halifax investigated Mr D's concerns but were satisfied they'd acted in line with their terms and conditions when blocking the account. They also said as soon as Mr D provided the necessary information, they unblocked his account.

Mr D remained unhappy and brought his complaint to this service. He said he never received the emails from Halifax, so he wasn't aware they needed information from him.

The investigator considered the matter but was satisfied Halifax had emailed Mr D about his account and the information required. They maintained that Halifax had acted in line with their terms and conditions and unblocked the account in a timely manner once Mr D had provided the required information.

Mr D disagreed. He said the emails the investigator showed him weren't from Halifax, and therefore they'd breached their terms and conditions. He asked for an ombudsman to decide 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.

It's clear Mr D feels very strongly about this complaint. He's provided detailed submissions to our Service. I've carefully read all the correspondence that's been sent. That being said, my decision won't address every point or comment raised. I mean no discourtesy by this, it simply reflects the fact our Service is an informal dispute resolution service, set up as a free alternative to the courts. So, in deciding this complaint I've focussed on what I consider to be the heart of the matter, rather than considering every issue in turn.

## **The block placed on the account**

First, I have considered whether Halifax was entitled to block Mr D's account. I have reviewed the terms and conditions of Mr D's account. They say the following:

***"Section D15 When can we stop you making a payment?"***

*We can stop you making payments if we reasonably think it is necessary:*

- to keep your account secure, including if you've lost your card or device;*
- because we suspect unauthorised or fraudulent use of your card, device or security details; or*
- to stop you spending money when your account is overdrawn if we think you won't be able to repay it*

*We'll tell you before we do this and why, unless a legal or security reason means we can't. In that case, we'll tell you as soon as possible afterwards. We'll act reasonably and try to reduce your inconvenience. If the reason for stopping or suspending you from making payments no longer applies, we'll unblock your card, device or security details or replace them.*

***Section M – When can we close an account or stop or suspend a service, benefit or package of benefits we provide? When can you close your account?***

*This agreement will last until you or we cancel it. You can end this agreement for any reason and you don't have to tell us in advance. If we end the agreement we will act reasonably and reduce any inconvenience to you*

*We can end this agreement (or account, benefit or benefits package or service) without telling you in advance if we reasonably think that:*

- there is or may be illegal or fraudulent activity connected to the account;*
- you are or may be behaving improperly. This includes being abusive or threatening to our staff or including abusive or threatening messages in payment instructions*
- a regulator or Government may take action against us (or another Lloyds Banking Group company) unless we end it;*
- we may break the law or regulatory requirement if we don't end it;*
- you have broken the agreement in a serious way If we want to end the agreement for any other reason, we must tell you at least two months in advance."*

Halifax emailed Mr D in March and April requesting information about the recent activity on his account. I've seen a copy of the emails and I'm satisfied Halifax were acting in line with the terms and conditions of the account by requesting this information. In the latter email, Halifax explained that if they didn't receive a response to their questions by a specific date, they would need to block the account. They explained clearly why they needed this information and the consequences of not providing it.

Mr D did not respond to the emails and so Halifax blocked the account. I'm satisfied that they were entitled to take this action.

**The emails sent to Mr D**

Mr D has said that he didn't receive the emails sent to him on 26 March and 2 April. Our Investigator provided him copies of the emails that were correctly addressed using Mr D's email address.

After looking at the emails Mr D said he never received them, and they were sent from an email address using @Lloydsbanking.com. He said his account is with Halifax, not Lloyds, so the email should've been sent from them.

I understand why Mr D is concerned that the emails are from a different email address than what he normally receives from Halifax. But Halifax is part of the Lloyds Banking Group (LBG) and this means information is sometimes shared between the two parties.

Halifax's current privacy policy, which can be found on their website and is usually brought to the attention of their customers when they open accounts, states that Mr D's information will be shared across the LBG.

Specifically, it says:

*'We may share your personal information with other companies in the Lloyds Banking Group. These companies may use different brand names. For details of our brands, please see the 'Who we are' section.*

*We share the information to make sure our records are accurate. For example, if you hold products with different brands in the Group, and you update your information with one of them, we may share this information with the other brands you hold products with.*

*We also share the information to help us provide you with products and services. For example, we could use information we learn about you from your transaction history with one of our brands to support an insurance product application with another brand.'*

I think it's likely Mr D was made aware of the privacy statement when his account was opened. And I don't think Halifax have acted unfairly or done anything wrong by sending the email to Mr D from a LBG email address, rather than Halifax.

Moreover, I have reviewed the contents of the emails and at the bottom it explains what to do if Mr D has concerns about the email being fraudulent. It says that it "*will always include your title, last name and the four digits of an account that you hold with us*". It also says what Mr D could've done if he thought the email was fraudulent.

Taking the above into account, I'm satisfied that the email sent had the correct email address for Mr D. As such, I think it's more likely than not, that these were received by Mr D. It's not for me to decide whether Mr D did or did not read the emails. But I'm satisfied LBG on behalf of Halifax sent the emails, requesting important information about Mr D's account and explaining what would happen if this wasn't provided. That's all they were required to do.

## **Customer service issues**

I understand the block on Mr D's account caused him distress and inconvenience. I can see he attended his local branch on a few occasions, and it looks like he had conversations with Halifax on the telephone too. Whilst I understand this was frustrating for Mr D, I'm satisfied Halifax didn't want to remove the block until they had the required information. I note as soon

as they received it, they unblocked the account.

I'm also aware Mr D is unhappy that Halifax couldn't provide him with a copy of the emails they sent to him in March and April. I've seen evidence that they sent copies in the post to Mr D. Mr D says these didn't provide details of who sent the emails and to whom. He is right, but I don't think that necessarily means what they provided to him was wrong. They printed a copy of the email content – I think that was reasonable in the circumstances.

Overall, I'm satisfied Halifax contacted Mr D about their concerns and the information required. I'm also satisfied they acted in line with their terms and conditions by blocking the account when they didn't hear from him. Once they received the information they required, they unblocked the account within a reasonable time frame. Therefore, I'm satisfied Halifax have acted fairly and reasonably and I don't require them to do anything further.

### **My final decision**

For the reasons I've explained above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 18 April 2025.

Rachel Killian  
**Ombudsman**