

The complaint

Mr S is unhappy with Bank of Scotland trading as Halifax. He found that his debit card was blocked, and he was unable to make certain important payments.

What happened

Mr S said in December 2024 he suffered significant issues due to the card being blocked and his transactions were declined. He said this caused him considerable inconvenience and distress. Mr S tried to make a payment towards his pension and it was declined. A later payment for utilities was also declined and Mr S was concerned how he was going to heat and get hot water at his home. When he spoke with Halifax he was advised that there was an issue with his card potentially being compromised. Mr S was unhappy with the lack of a written explanation, he was only told about the problems verbally. His card was cancelled and a new replacement issued. Even with the new card he said the utility payment wouldn't go through. Mr S said he decided to get a debit card with a different bank due to the difficulties. Apart from the written explanation Mr S also wanted assurances that similar issues would never happen again, and compensation for his distress and inconvenience.

Halifax apologised. But said the card provider had confirmed the card had been compromised and so the block was applied and payments declined. Halifax said it had no option other than to cancel the card and order a new one. It also said it couldn't guarantee this would never happen again. It confirmed Mr S's later attempted payment to the utility company on 20 December 2024 didn't complete due to incorrect details being entered rather than any issues with the new card. Halifax said it hadn't made any errors.

Mr S didn't accept this and brought his complaint to this service.

Our investigator didn't uphold the complaint. She accepted Halifax's point that it hadn't done anything wrong. She said the block applied wasn't down to Halifax's actions. It was down to the card provider. Our investigator said Halifax acted to get the issues put right. She noted when the first problem occurred Mr S didn't contact Halifax, it was only when he had the second problem seven days later that he contacted it. Our investigator accepted the fraud measures are commercially sensitive so Halifax couldn't provide Mr S with more details.

Mr S didn't agree and asked for his complaint to be passed 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.

On 12 December 2024 Mr S tried to pay into his pension and it was declined. After the attempted utility bill payment didn't go through on 19 December 2024 Mr S did contact Halifax and was told about the card providers belief that the card had been compromised. After further attempts to pay the utility bill and Mr S confirming to Halifax that it had now

gone through the card was cancelled and a new one issued. But Mr S said he still had problems when he tried to pay the utility bill again.

I understand Mr S's point. He feels there was a lack of transparency around the debit card issues from Halifax. And he was frustrated during the telephone call when his requests for more details couldn't be satisfied. In fairness I thought the Halifax adviser was clear about what he could and couldn't do. He was clear that it wasn't Halifax who had said this, instead it was the card provider who raised the problem. I think he told Mr S all that he could. He was also clear when he advised Mr S on how he could raise the matter further with the card provider.

I take Mr S's point about how stressful he found the situation. Especially when he felt the matter had been resolved by the issue of a new card. But I note Halifax's explanation for that, and it doesn't appear to have been anything other than a problem with the wrong details being entered. That suggests it wasn't any issue with the card. I've no evidence to suggest otherwise.

Halifax said *"We have taken the correct action to protect Mr S's account from fraud. We have also provided him with an explanation as to why his card had been blocked and that a new replacement card was required to protect him from fraud."*

I note that as requested by Mr S Halifax did apologise for any inconvenience caused. It accepted it wasn't able to provide Mr S with all the details only that the card provider *"have sufficient reason to believe the details have been compromised and could be attempted to be used fraudulently."* It also said this didn't impact Mr S being present with the card and using chip and pin. It was only online and telephone payments that were blocked.

I'm not surprised Halifax didn't give Mr S a full written explanation as he wanted. During the original call the adviser explained what had happened and why. He offered Mr S the opportunity to take the matter up with the card provider too. I think the adviser shared what he could and explained the details to Mr S. After that I accept that all banks are reticent to provide too much information in situations where a risk has been highlighted, it is important that card security is robust.

Although I accept and understand the worries the issues caused for Mr S the problem does appear to have been short term and quickly rectified. I think Halifax was honest when it said there could be no guarantee that an issue wouldn't arise again in the future. And Halifax (along with the card provider) do have a duty to keep customers and their accounts safe. I think Halifax has acted fairly and reasonably.

I note later on Mr S raised further concerns but as was pointed out by our investigator any additional concerns need to be taken up with Halifax first. This service can only deal with Mr S's original complaint.

Mr S has raised concerns about how Halifax handled his complaint too. But complaint handling isn't a regulated activity and so I can't comment or make a finding on any issues of this nature.

My final decision

I don't uphold this complaint.

I make no award against Bank of Scotland trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or

reject my decision before 4 August 2025.

John Quinlan
Ombudsman