

The complaint

Mr M complains that Bank of Scotland plc trading as Halifax acted unreasonably when blocking a payment he was trying to make for a holiday booking.

What happened

On 28 August 2025, Mr M attempted to pay for a family holiday (for an amount over £8,000) using his Halifax account.

Halifax blocked the transaction routing it for an additional security check. It didn't call Mr M to discuss the transaction as it needed him to get in touch about the matter.

Shortly after, having spoken to Mr M, Halifax released the block. However, by that time, Mr M had lost his holiday booking. And when he made a new booking, it cost an additional £997.71.

Mr M complained to Halifax.

Halifax responded to the complaint on 7 October 2025. It explained that:

- It checks payments and tries to alert customers to potential concerns. In certain circumstances it allows customers to use a self-serve option to verify the payment, which involves replying to an automated call or SMS message.
- However, some blocks applied are "higher" than others, which means it doesn't contact the customer directly. Once the payment is blocked, the customer then needs to contact Halifax to confirm the payment is genuine.
- In Mr M's case the security check was completed the same day the payment was blocked, at which point restrictions were lifted. Mr M was then able to make a payment to the same company later that day.
- Halifax was satisfied it hadn't done anything wrong, so it didn't uphold Mr M's complaint.

Mr M wasn't happy with Halifax's response, so he complained to the Financial Ombudsman Service. Amongst his comments, he said that whilst he understands the need for Halifax to take fraud prevention measures, in his case, it failed to take reasonable steps to allow him to verify the transaction in a timely manner. He also doesn't think it's acceptable for Halifax to say that in certain circumstances (for instance where a significant value payment is at stake) it doesn't contact the account holder directly when blocking the payment.

Mr M's complaint was assigned to one of our Investigators to assess. Having considered the evidence, the Investigator was satisfied that Halifax hadn't done anything wrong.

Mr M didn't agree with the Investigator. He explained that his issue was about fairness and proportionality. Once more, he felt Halifax deprived him of any realistic chance to validate a genuine transaction and avoid a foreseeable loss.

Although there were further exchanges between Mr M and our Investigator, no agreement could be reached. So, the matter's been passed 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.

I'll say at the outset that it's not for this Service to tell a business like Halifax how it should run its security procedures, such as when to block payments thought to be suspicious, or when/if it should notify customers about potential concerns. It would more likely be the role of the regulator – the Financial Conduct Authority (FCA) – to get involved in such matters.

Mr M isn't suggesting that Halifax shouldn't invoke fraud prevention procedures in appropriate circumstances. But he is clearly concerned about the way it went about things in his particular case.

Specifically, he says Halifax didn't contact him before or immediately after it blocked the transaction. However, I note that in other comments he's made to this Service he's said that Halifax did send him two text messages. But it's apparent that Mr M does not believe that those went far enough.

As far as he's concerned, Halifax denied him the opportunity to validate a genuine transaction before his holiday booking was lost. And the upshot, as far as Mr M sees it, is that the limitations in Halifax's actions cost him almost £1,000 more by the time he rebooked his holiday.

I have a great deal of sympathy with the situation Mr M found himself in. And it's not entirely surprising that he feels so strongly about the events leading to this complaint. I imagine most people in a similar situation would be equally concerned.

I'll say first that once Halifax's systems flagged a potential problem, I think its first responsibility to Mr M was to try and protect his account from harm. By blocking the transaction, I'm satisfied that's what it did. I appreciate Mr M's position, which seems to be that if Halifax had contacted him *before* the block, the matter could probably have been resolved fairly quickly. But I don't think Halifax could have known that until it had gone through the security process with Mr M. Further, my understanding is that blocking of such payments will be an automated procedure. So, it's unlikely to be the case that Halifax can decide to defer a block until it's taken additional steps to satisfy itself about the payment. Its systems will generally flag a potential problem and apply a block. If they didn't, I'm mindful that it could allow a potential fraudster to successfully complete the transaction before making contact with the customer to confirm the payment is genuine. It follows that I don't think Halifax did anything wrong by not contacting Mr M first.

Another point Mr M makes is that businesses like Halifax should be aware of dynamic pricing. He says it should anticipate that time-sensitive payments (e.g. travel bookings) can lead to financial detriment if declined without prompt verification. So, as well as suggesting that Halifax should have contacted him before applying the block, Mr M is clearly of the opinion that Halifax should have been much more proactive in contacting him once the block was in place. As I mentioned earlier, he thinks Halifax deprived him of any realistic chance to validate a genuine transaction and avoid foreseeable loss.

In contrast Halifax says its approach is that in relation to certain blocks – those it deems to be “higher” than others – it doesn't contact the customer directly (it didn't specifically mention sending text messages to Mr M). Instead, it expects the customer to contact Halifax to confirm the payment is genuine.

I've thought about both positions carefully and whether Halifax did enough overall in this particular situation.

It seems to me that regardless of who instigates the contact, Halifax still needs to satisfy itself, as far as possible, that the payment is genuine. However, had things played out differently in Mr M's particular case – for example, if he wasn't aware that the payment was blocked until much later on — I might have been more inclined to agree with his point about Halifax needing to do more.

But that wasn't what happened here. Mr M was trying to book a holiday, and as far as I can tell, he was aware at the point of attempting the transaction that it hadn't been authorised. The evidence shows that he telephoned Halifax within about nine minutes of first attempting the transaction. And, having got through to its security team and answered Halifax's security questions, the block was lifted about 14 minutes after his call (which was around 23 minutes in total after he first attempted to make the payment). Further, he eventually completed his booking (albeit I acknowledge he had to pay a higher sum) roughly 45 minutes after he first attempted it. Taking account of all of this, I'm satisfied there was no undue delay on Halifax's part when completing its security process and when approving the transaction.

Again, whilst I can entirely understand Mr M's position, I can't see how things would have progressed any differently even if Halifax had instigated further contact rather than Mr M. Assuming Halifax contacted Mr M as quickly as he did Halifax, it seems likely the security process would have taken a similar amount of time to complete. And it's equally likely therefore, on balance, that the cost of the holiday would still have increased during that time.

In summing up, I'm satisfied that Halifax acted fairly and reasonably overall. Whilst I completely understand Mr M's disappointment and frustration that the cost of his holiday increased significantly, given the factors I mentioned above, that's not something I can fairly say Halifax is responsible for.

My final decision

I don't uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 23 February 2026.

Amanda Scott
Ombudsman