

## The complaint

Mr B is unhappy with several aspects of the service he'd received from Bank of Scotland Plc, trading as Halifax, surrounding restrictions that were placed on his account.

## What happened

In December 2024, Mr B raised a complaint with Halifax because he was unhappy that his credit card account had been restricted such that he couldn't use it, and that these restrictions remained in place even after Halifax had told him that they'd been removed.

Halifax responded to Mr B and explained why they sometimes restrict credit cards accounts. Halifax also confirmed that in Mr B's instance, they had told him that the restrictions would be removed, but they then weren't. Halifax apologised to Mr B for this, confirmed that the restrictions on his credit card account had been removed, and sent him a cheque for £125 as compensation for any trouble or upset he may have incurred. Mr B wasn't satisfied with Halifax's response, and he also wasn't happy that Halifax had restricted his account previously, in 2021 while he was overseas. So, he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that Halifax had acted unfairly by restricting Mr B's account in either instance, and they felt that Halifax's apology and offer of £125 already represented a fair outcome regarding Halifax's failure to remove the account restrictions when they'd told Mr B that they had done. Mr B didn't agree, and so the matter was escalated 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.

In March 2021, while Mr B was overseas, his account was restricted by Halifax's automated fraud prevention systems. Such systems are used by financial institutions to flag account activity that may be of concern and to prevent further usage of an account where it's felt that there is a possibility that fraud may be potentially occurring. Indeed, financial institutions such as Halifax have an obligation to employ such systems in order to comply with banking regulations which require banks to have systems in place to protect their customers' accounts, as much as possible, from acts of attempted fraud.

In this instance, Halifax's fraud prevention systems had concerns regarding transactions that Mr B attempted while overseas. I can appreciate that it would have been frustrating and inconvenient for Mr B to have had his account restricted at that time, it must be noted that it's incumbent on banks to employ these systems with a degree of vigilance – to err on the side of caution, as it were – which unfortunately means that there will be instances where legitimately authorised transfers are flagged erroneously by the fraud prevention systems.

In order to remove the restrictions from Mr B's account, Halifax required Mr B to speak with them directly and to confirm the legitimacy of the attempted transaction. Because Mr B was overseas, this was difficult for him to do, although he was ultimately able to adhere to

Halifax's requirements in this regard which meant that the restrictions on his account were removed.

But even though I accept that Mr B was troubled and inconvenienced by having to contact Halifax from overseas, I don't feel that Halifax have treated Mr B unfairly. Instead, I feel that it was fair and reasonable for Halifax to have restricted Mr B's account in response to their concerns about potential fraud, and that having developed those concerns it was fair and reasonable for Halifax to have been unwilling to have removed those restrictions until Mr B spoke with them directly and confirmed that nothing was amiss. As such, I feel that the trouble and frustration that Mr B experienced in this regard was unfortunate but not unfair, and was an unintended and unavoidable consequence of Halifax following the reasonable process that they did, which was exacerbated by Mr B being overseas at that time.

Turning to the more recent events about which Mr B is unhappy, on 25 October 2024, Halifax sent a letter to Mr B following a review of his account because they required him to confirm or update some personal information they held for him. This letter explained that if Mr B didn't provide the information that Halifax were requesting, his account may be restricted until such time that he did provide that information.

Mr B has said that he didn't receive that letter, but he has also explained that he has raised several complaints with his postal service over mail not being delivered correctly to his house. I'm satisfied from the information that Halifax have provided to this service that they did most likely post the letter in question to Mr B at the correct address. It therefore seems reasonable to conclude, given the historical postal issues that Mr B has described, that he didn't receive the letter because of an act or omission by the postal service, and not because of any act or omission by Halifax.

I wouldn't hold Halifax accountable for the non-delivery of correctly addressed mail, given that such mail is delivered by a postal service over which Halifax have no direct control. Mr B has suggested that, given the importance of the letter in question, Halifax should have sent it via recorded delivery. But if Halifax were to send every letter of consequence via recorded delivery that would entail significant additional cost, and I don't feel that it's unreasonable for Halifax to assume that a postal service will deliver a letter correctly - given that letters are correctly delivered in the vast majority of instances. Accordingly, I feel that this is another instance where what's happened to Mr B is unfortunate - this time as a result of his not receiving the letter - rather than it being unfair.

Additionally, when Mr B contacted Halifax having noticed the restrictions on his account, Halifax obtained the required information from Mr B and moved to remove the restrictions from Mr B's account the following day - all of which seems reasonable to me. Where Halifax did make a mistake, and have acknowledged that they did so, is that the restrictions weren't then removed from Mr B's account when they should have been. This led to further transactions that Mr B attempted being declined, which in turn meant that Mr B had to contact Halifax about the issue again, after which time the restrictions were removed.

In their response to Mr B's complaint, Halifax apologised for not removing the account restrictions when they first should have done and offered to pay £125 to Mr B as compensation for any trouble or upset he may have incurred as a result. This feels fair to me, given that this compensation is being offered solely for the frustration and inconvenience Mr B experienced from 25 November 2024, when the account restrictions should have been moved, to when they later were. It's also important to confirm that this compensation amount isn't in regard to Halifax restricting Mr B's account upon not receiving a response from him to the letter that they sent, which as explained, I don't feel was unfair.

It's my understanding that the cheque that Halifax sent Mr B for £125 has expired. As such,

I'll be upholding this complaint on a limited basis, solely to instruct Halifax to pay the £125 to Mr B that they've already offered to pay - should Mr B formally accept this decision. However, I won't be issuing any further instructions to Halifax beyond this, because as explained I don't feel that they've acted unfairly by restricting Mr B's credit account in 2021 or 2024.

Finally, in his correspondence with this service, Mr B has raised several further points of complaint, such as regarding the closure of his Halifax current account. But this service can only consider points of complaint that have previously been referred to the respondent business, such that the business has had a formal opportunity to consider and respond to them. I can't see that Mr B has referred these further points of complaint to Halifax directly, and Halifax's complaint response letter - which gave Mr B the right to refer the points of complaint discussed in that letter to this service - makes no mention of them.

Accordingly, I can only refer Mr B to Halifax to raise those further points of complaint with them directly, so that Halifax have a formal opportunity to respond to them. After Halifax have had that formal opportunity, it may be the case that Mr B has the right to refer those points of complaint to this service, should he still wish to do so at that time.

### **Putting things right**

If Mr B hasn't cashed the cheque for £125 that Halifax sent him, Halifax should cancel that cheque, and upon confirmation of its cancellation, pay £125 to Mr B.

### **My final decision**

My final decision is that I uphold this complaint against Bank of Scotland Plc, trading as Halifax, on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 2 February 2026.

Paul Cooper  
**Ombudsman**