

complaint

Mr S complains that Bank of Scotland plc (trading as Halifax) blocked his account so he couldn't pay a deposit on a flat. He wants Halifax to repay his expenses. He also wants compensating for the inconvenience.

background

Mr S needed to pay a deposit on a flat. A third party tried to transfer some of the deposit money to Mr S's account but the third party account was blocked for possible fraud. Mr S's account was blocked while the bank carried out fraud checks on his account too. Mr S is unhappy as he says he couldn't pay the flat deposit on time. He wants Halifax to compensate him for the expenses he had to pay out while his account was blocked. He says that the bank accepted it made a mistake when it blocked the third party account so he thinks it also made a mistake by blocking his account.

The bank doesn't think it's done anything wrong. It says Mr S's account was blocked while it carried out security checks on both his account and the third party account. And Halifax said it removed the block on Mr S's account after four days.

The adjudicator thought that as the bank had agreed it made a mistake when it blocked the third party account, it had also made a mistake in blocking Mr S's account. He thought Halifax should pay Mr S £200 compensation for distress and inconvenience. He also thought the bank should compensate Mr S for his additional expenses.

Halifax didn't agree with the adjudicator and wanted an ombudsman to reconsider. It said it was entitled to carry out security checks on Mr S's account. It also said that although Mr S couldn't use online banking while there was a block on his account, he was able to use his debit card.

my provisional decision

I issued a provisional decision on this complaint. I said, in summary:

- I could see that Mr S was annoyed that Halifax blocked his account. But I thought the bank was entitled to carry out security checks if it had concerns about the money being paid into his account.
- Halifax only blocked Mr S's online banking and he was still able to use his debit card to access his account. I also thought the bank acted quickly to remove the block after Mr S provided evidence of his identity.
- Mr S had said he was able to withdraw the deposit from an account with another bank. I thought he could have paid this deposit directly into the estate agent's account. So I thought Mr S could have avoided paying any extra expenses for his house move.

Halifax said it had nothing to add to my provisional decision. But Mr S said he'd been unable to complete a property deal because his account was blocked. And he was also unhappy that the fraud team said he had to provide identification for the block to be lifted.

my findings

I have reconsidered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I've considered Mr S' comments. But I don't think he's shown that he suffered any financial loss due to the bank's actions. And, as I said in my provisional decision, I don't think the bank acted unreasonably in blocking his online banking. I can see he's annoyed the fraud team said he had to provide identification. But I think it was reasonable for the bank to ask him to provide identification, as part of its security checks.

So I see no reason to take a different view from my provisional decision.

my final decision

My final decision is I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 January 2016.

Ayesha Siddiqi
ombudsman