

The complaint

Mr H complains that Capital One (Europe) plc removed a spend block on his account without his permission.

What happened

In July 2022 Mr H contacted Capital One regarding some transactions on his credit card account. He asked Capital One to block the transactions.

Mr H says he was told that the spend block would be in place until he requested otherwise. However, the block was removed after 30 days and, as a result, further transactions to the same retailer were able to go through.

Mr H complained to Capital One. He said he had gambling issues and that Capital One shouldn't have allowed him to make transactions to a gambling website. Mr H said he'd incurred non sterling fees as well, which had caused him to exceed his credit limit. Mr H asked Capital One to refund the transactions amounts and refund the non-sterling fees.

In its final response, Capital One said it had applied a temporary block to the account because Mr H had said he didn't recognise the transactions. Capital One said it had been clear with Mr H that the block was temporary and that if Mr H wanted to take the matter further, he would need to contact Capital One again. Capital One said that because it didn't hear from Mr H within 30 days, the block automatically dropped off the account and the transactions were treated as genuine.

Capital One also said that the transactions weren't classified as gambling transactions and so were allowed to be made using a credit card.

Mr H wasn't happy with the response and brought his complaint to this service.

Our investigator didn't uphold the complaint. He listened to the call between Mr H and Capital One and said that Mr H had been advised that the block was temporary. The investigator said there was no evidence that Capital One was aware of Mr H's gambling issues at the time the block was imposed and said that he couldn't have expected Capital One to have considered circumstances that it didn't know about. The investigator said that as soon as Capital One became aware of Mr H's gambling issues it had re-applied the blocks and offered further support if Mr H needed it.

Mr H didn't agree. He said he'd understood the block had been permanent and he couldn't remember being told that it would be temporary. He said that even if he had been told that the block was temporary, he hadn't been told what the duration of the block would be. Mr H also disputed the categorisation of the transactions. He said they were for gambling and should've been rejected.

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've listened to the call recording provided by Capital One.

In the call, Mr H told Capital One that there were transactions on the account which he didn't recognise. The advisor offered to put a block on the account so that Mr H could check the transactions. The advisor told Mr H that the block would be temporary but didn't provide further details of how long the block would be effective for. At the end of the conversation, it was agreed that Mr H would call back if he wanted the transactions investigated further.

Mr H didn't tell Capital One during the call that the transactions related to gambling, or that he had gambling issues.

Capital One removed the block after 30 days. Whilst I agree that Mr H wasn't told that the block would be removed after 30 days, he was told that the block would be temporary. So, I don't think it's reasonable for Mr H to say that he thought the block would be permanent, or that his permission was required to remove it. That isn't supported by the call which I've listened to.

Given that Mr H was told that the block would be temporary, I think he ought reasonably to have understood that it would be removed at some point. I think that 30 days was a reasonable period to leave the block in place because this gave Mr H plenty of time to contact Capital One again if he wanted the transactions investigated further, which is what was agreed should happen during the call.

Had Mr H made Capital One aware that he had a gambling issue during the first call, it's possible that Capital One may have acted differently. But Mr H didn't make Capital One aware of his gambling issues, so I can't fairly say that it should've imposed a permanent block at that stage. I can see that as soon as Mr H told Capital One about his gambling issues, it offered to put a permanent block on the account. I think Capital One acted fairly and reasonably as soon as it became aware of Mr H's gambling issues.

In relation to the non-sterling fees, the terms and conditions of Mr H's agreement for the credit card say that these will be charged. I haven't seen any information to suggest that the transactions shouldn't have attracted a non-sterling fee.

Mr H has said that Capital One offered him the sum of £50 to close the complaint. I've been unable to find any evidence of this. But even if this sum was offered to Mr H, Mr H has told this service that he rejected the offer. I don't think Capital One has treated Mr H unfairly or unreasonably in the way it handled the block, so I won't be asking it to pay any compensation.

I appreciate that Mr H feels that the transactions shouldn't have been allowed on his card because they were gambling transactions. Mr H is correct that the use of credit cards has been banned for some gambling transactions. However, the transactions in Mr H's case aren't classified as gambling, so they weren't subject to these rules. It isn't up to Capital One to decide whether a transaction is a gambling transaction or not. The classification is determined by the retailer. In this case, the retailer advised Capital One that the transactions were categorised as Video Amusement Game Supplies, Electronic Stores or Digital Goods - Games. Mr H hasn't provided any evidence to suggest that this classification was incorrect. And even if the retailer had incorrectly classified the transactions, this isn't something I can fairly hold Capital One responsible for.

For the reasons I've explained, I'm unable to uphold the complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 8 March 2023.

Emma Davy
Ombudsman