

The complaint

Mr F complains about how Clydesdale Bank Plc trading as Virgin Money dealt with his account following a security block.

What happened

Mr F says he tried to use his account card in March 2023 for a gambling transaction, but the transaction was declined. He says he contacted Virgin Money and says he didn't receive a text message about the transaction. Mr F says he tried to use the account card, but it was retained by the cash machine and then he received the text. He says this same problem has happened on four other occasions and he was left with no access to his money. Mr F says he spoke to a number of different Virgin Money departments about this issue and would like compensation for what took place.

Virgin Money says it correctly applied the account block when its systems raised security concerns. It says its systems sent Mr F a text message within a minute of the block being applied. Virgin Money now says the card being retained was caused by Mr F using a particular cash machine which automatically retains a bank card in these circumstances, but most cash machines do not retain a card. It has apologised for the call wait times and paid £75 compensation.

Mr F brought his complaint to us, and our investigator didn't uphold the complaint. The investigator thought Virgin Money was entitled to block the account when it had security concerns and thought Virgin Money wasn't responsible for the actions of the cash machine. The investigator thought the compensation appropriate.

Mr F doesn't accept that view and questions why the investigator didn't comment on the previous incidents. He says it's obvious a cash machine will retain a card in these circumstances.

I asked Virgin Money for further information which it's provided, including all of the call recordings between it and Mr F. It has also confirmed that the account block is likely to have led to the cash machine retaining Mr F's account card.

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.

Having done I don't require Virgin Money to do anything further in the circumstances of this complaint. I appreciate Mr F will be disappointed by my decision and appreciate how strongly he feels about what took place.

I know Mr F accepts that banks and building societies must have fraud and security measures to protect its and its customers money. Fraud is a major problem, and a business must monitor transactions as here. I accept that on occasions legitimate customers and legitimate transactions are made subject to such security measures. I appreciate that causes

inevitable frustration and inconvenience but that doesn't mean that a business has made a mistake.

In March 2023 Virgin Money blocked Mr F's attempted gambling transaction. I make clear this is Mr F's money and he is free to spend it as he wishes. But equally I don't think Virgin Money made a mistake by applying a block to the transaction as its security systems flagged the transaction. I can see Virgin Money says it sent a text message immediately to Mr F, but he didn't receive it until after he called it. That is not something I can fairly hold Virgin Money responsible for as it's not responsible for the delivery of telephone text messages.

I have listened to all of the calls between Mr F and Virgin Money. Having done so I appreciate Mr F spent a considerable amount of time on those calls and was passed through many departments. I understand his frustration in having to go through security and repeat his complaint details. I can see that Virgin Money has fairly apologised for the way in which parts of the complaint related to the calls was dealt with and has either paid or offered £75 compensation. I am satisfied that amount is fair and reasonable and fairly considers that Mr F didn't suffer any financial loss as a result of what took place on those calls. If the compensation hasn't been paid then no doubt Mr F can ask Virgin Money to pay it. I don't intend directing Virgin Money pay the compensation as I can see Mr F has complained about the offer being made without him being able to reject it.

The key part of the complaint is that Mr F's account card was retained by the cash machine. I appreciate Mr F was unable to speak to Virgin Money when he used the card, but I'm satisfied it was his decision to do so before the security block was removed. I think it clear that the particular cash machine Mr F used automatically retained an account card where it detected a security or account block. That was something outside Virgin Money's control and not something I can fairly hold it responsible for, but I would have expected it to have known that information. I also think that it reasonable for Mr F to have known that where there was a transaction that had been blocked as here, that to attempt to use the account card in a cash machine may result in it being retained.

Overall, I accept this was Mr F's money, but that Virgin Money has a duty to ensure he was not a fraud victim. I accept that this was not the first time Mr F's account card had been retained and account blocked. But I can also see that Virgin Money has fairly suggested alternative methods of paying for gambling transactions which may avoid this situation. I can't fairly consider the compensation awards in previous complaints as those matters have been dealt with and Mr F's complaint to us is about the events of March 2023. I also appreciate that Mr F says there has been a more recent similar issue. I am satisfied that Virgin Money has made clear this problem may keep occurring, that certain transactions will be blocked and that a text may not immediately be sent. I don't think Virgin Money has made a mistake or acted unfairly in those circumstances and Mr F ought reasonably to be aware now that this issue is likely to repeat itself. I find this now brings an end to what we in trying to resolve this dispute informally can do and can't fairly conclude Virgin Money should pay further compensation or that it made a mistake in either March 2023 or later on in around June 2023.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 1 January 2024.

David Singh

Ombudsman