

The complaint

Mr B complains that The Royal Bank of Scotland Plc ("RBS") blocked his debit card while he was abroad, causing him significant detriment and meaning he had to cut short his trip.

What happened

Mr B holds a current account and a credit card account with RBS. In 2023 he travelled abroad, taking his debit and credit cards with him. He tried to use his debit card in an ATM while he was away but says the card was retained by the machine. He says he tried to call RBS to cancel the card but couldn't get through. Mr B managed to get his debit card back the next day. But he wasn't able to use it because it kept being declined. He says this happened at least ten times in various locations. His mobile phone had gone missing, so he says he wasn't receiving the messages which RBS was sending him. He tried to make a payment with his credit card, but that was also declined.

Mr B says that RBS didn't contact him about the issues with his debit card. It was difficult for him to call RBS, due to long call waiting times and the cost of international calls. He contacted RBS using its online chat service. After a few days he bought a new phone and gave RBS his new number. RBS said it would call him, but he says he never received a call.

So, Mr B says he was left stranded abroad without money. He had planned to make an onwards trip to another country for business purposes. But he says he couldn't pay for the onwards flight due to the card issues. So, he had to return to the UK early (with help from family to pay for the return flight). He says he missed out on business opportunities as a result and is out of pocket by approximately £3,000. He complained to RBS and asked it to cover his flight costs. When he returned to the UK, Mr B visited a branch of RBS. But he says the staff there weren't helpful and didn't record his complaint correctly.

He has found out since that RBS sent him a new credit card in December 2022 and cancelled his old card. But he says he didn't receive the new card. He was still in possession of the old card and didn't know it wasn't working. He says he checked with RBS before his trip, and it told him that his credit card wasn't blocked. He says that was incorrect and he had unknowingly travelled abroad with a credit card which didn't work.

When RBS responded to Mr B's complaint, it said that a block had been applied to his debit card as a fraud prevention measure. It said it didn't receive the verification it had requested from Mr B, so the card remained restricted. It said that there was no block in place on Mr B's credit card while he was away and that he was correctly informed that the card remained active. It also said that it had tried to call Mr B but couldn't get through. RBS didn't think it was responsible for Mr B having to return to the UK early or for any losses associated with that. It said that he'd used another account successfully while the debit card was blocked, so he did have access to funds.

But RBS apologised that Mr B hadn't been able to get through to it on the phone and had incurred costs when trying to get in touch. It said it was experiencing high call volumes and customers were having to wait longer to speak to an agent. It upheld this part of Mr B's

complaint and agreed to reimburse his call costs of £40. It also apologised for the service he received in the branch and paid him £100 as an apology for the inconvenience this caused.

But Mr B wasn't happy with RBS's response and asked this service to look at the complaint. He said that RBS should cover the air fare for him to make the trip again and compensate him for the inconvenience he suffered and the time he wasted dealing with all these issues. Our Investigator didn't think RBS needed to do that. But Mr B didn't agree and asked for the complaint to be reviewed by an Ombudsman.

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.

It's not disputed that RBS blocked Mr B's debit card while he was away. RBS says this was because an attempted transaction had triggered a fraud alert, so a restriction was placed on the card until the transaction could be verified. This was confirmed to Mr B at the time, when he contacted RBS using the chat facility. It told him that its Fraud Team had detected some unusual activity on his debit card and had put a temporary stop on his account until it could discuss his recent transactions. I think that was reasonable. RBS's fraud detection system had flagged a transaction as potentially suspicious, so it declined the transaction and restricted the card. That's what I'd expect it to do to protect Mr B's account.

RBS says that, in this situation, it contacts customers as soon as possible through the app or by text message to verify the transaction. I'm satisfied that RBS sent text messages to Mr B here. Unfortunately, Mr B had lost his phone. So, he says he wasn't picking up messages from RBS and couldn't use the app. I think that, if Mr B had had his phone, it's likely he'd have been able to verify the transaction quickly and the card could have been unblocked. It's understandable that it was very stressful for him being without his phone and unable to do this. But it wasn't RBS's fault that he'd lost the phone.

Mr B was able to contact RBS through the chat service. It explained about the temporary stop on his account and gave him a phone number to call so that a dedicated team could verify the transactions and remove the block. Mr B said he didn't have a phone, so RBS suggested he use someone else's phone or a phone at the place he was staying. It explained that calling the security team was the only way to remove the block from his card. I think that was a reasonable approach. I also think it was reasonable for RBS to leave the block in place during this time, as it hadn't received the necessary verification from Mr B.

Later, Mr B started a new chat and told RBS he had a new phone. He asked RBS to unblock his debit card. He gave RBS his new phone number and said he wanted the bank to call him. The agent referred to three transactions and Mr B confirmed he had made them. RBS asked Mr B to call its fraud team, but Mr B said no - he wanted the bank to call him. RBS said that Mr B had to contact the fraud team to proceed further, but Mr B said it was the bank's responsibility to call him. RBS then said that Mr B would receive a call back within two hours, but Mr B should call the team directly if his request was urgent. It asked him to confirm if he would be able to receive incoming calls from the UK on his phone number. I can't see that Mr B confirmed this point.

RBS says its agents did try to call Mr B but couldn't get through. I'm satisfied that attempts were made to call Mr B. I don't know why the calls were unsuccessful, but I haven't seen anything to suggest this was due to an error on the part of RBS. In any event, I think it would have been reasonable in the circumstances for Mr B to call RBS when he didn't hear anything, especially as he had said the situation was urgent. By this stage, he had a new phone so it would have been possible to make the call.

He has said he couldn't get through to RBS on the phone and that the calls were very costly. I'm not sure at what stage he attempted these calls. But the chat transcript shows that, by this stage, Mr B was refusing to call RBS and insisting that it call him. I can understand his frustration at the situation. But, if it was urgent, I'd have expected him to make the call so that the account could be unblocked, even if this was inconvenient to him at the time.

As Mr B didn't call RBS, the transactions couldn't be verified in line with RBS's security process. So, I think it was reasonable that RBS kept the restrictions in place on his card.

Mr B had also taken a credit card with him as an extra method of payment, which I think was sensible. Unfortunately, the card wasn't active so payments couldn't be made on it. This was very stressful for Mr B as it meant he'd lost part of his back-up plan. But I don't think that was RBS's fault. I'm satisfied that it told him in December 2022 that this card had been cancelled. It said he would receive a new one within a few days. So, he should have received the new card before he travelled abroad. I don't doubt that he didn't receive it. But I think it would have been reasonable for him to follow this up before he travelled to find out why he hadn't received the new card. He says he checked with RBS before he went that his credit card would work. But I think it's likely that RBS was talking about the new card. I don't think it could have known that Mr B hadn't received the new card and was talking about the old one.

Mr B says these issues meant he was stranded without access to funds. It's understandable that the whole experience was very stressful and inconvenient and took up a lot of Mr B's time. But I don't think RBS was responsible for all the problems he encountered. It did decline transactions on his debit card, but I think that was reasonable to protect his account from potential fraud. It wasn't to blame for his card being retained by an ATM or for him losing his phone. And it wasn't RBS's fault that Mr B had taken the cancelled credit card away with him. In the circumstances, I think it would have been reasonable for Mr B to call RBS's fraud team as requested, rather than insisting it call him, even if this involved a long wait. And I'm satisfied that he had access to other funds while he was away as his statements from other accounts show that he was able to make transactions from those.

So, I don't think RBS is responsible for Mr B cancelling the remainder of his trip and having to return home earlier than planned. I'm sorry to disappoint Mr B, but I'm not going to ask RBS to reimburse his air fare or pay him any further compensation. It has paid him £40 for his call costs, which I think is fair. And it has paid him £100 in relation to service issues in the branch, which I think is reasonable. So, I'm not going to ask it to do any more.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 15 April 2024.

Katy Kidd
Ombudsman