

The complaint

Mr H complains that Clydesdale Bank Plc trading as Virgin Money placed a restriction on his card whilst he was traveling abroad. He's unhappy that he found it difficult to contact Virgin Money when trying to resolve the issue.

What happened

Mr H holds a Virgin Money card. Whilst on holiday abroad he attempted to use the card to pay for a taxi journey using the rideshare app. The transaction was blocked.

Mr H contacted Virgin Money via Live Chat and was advised that he needed to contact the fraud team to resolve the issue.

Mr H contacted the fraud team. He says he was advised that there would be no block and that the transactions would work. However, each time he tried to use the card it was rejected.

Mr H complained to Virgin Money. He said that the restriction on his card meant that he'd been left stranded in one area as it was difficult to get anywhere without the rideshare app. He said he found it very frustrating that he'd been told multiple times that transactions would work but each time he tried the card was rejected. Mr H said he'd lost 4 days of his holiday trying to resolve the issue with his card.

Virgin Money issued a final response on 23 February 2024. It said that a restriction had been placed on Mr H's account on 1 January 2024 due to a transaction which required additional security checks. Virgin Money said it had sent Mr H a text message asking him to confirm whether it was a genuine transaction but didn't receive a response, so they attempted to call Mr H on 2 January 2024 and left a voicemail asking him to contact them. Virgin Money said it could see that Mr H had contacted them via Live Chat on 2 January 2024 and that he was advised to contact the fraud team to resolve the issue. Virgin Money acknowledged that Mr H had experienced difficulties in contacting them whilst he was away and said it was upholding this aspect of the complaint.

Virgin Money said a further transaction was blocked on 4 January 2024 and the same process of sending Mr H a text message and attempted phone call was followed. Virgin Money said it wasn't upholding this aspect of the complaint as it had followed its processes correctly.

Virgin Money acknowledged that Mr H had been caused stress and concern whilst he was abroad and apologised for this. It offered compensation of £50.

Mr H remained unhappy and brought his complaint to this service. He wants compensation of £100 for each day of his holiday he lost trying to resolve things, or as a minimum a refund of the £180 fee for the card as it wasn't fit for purpose.

Our investigator didn't uphold the complaint. They said Virgin Money were within their rights to block a card for further checks. The investigator said that they could see that Virgin Money

had tried to get in touch with Mr H to confirm the transaction was genuine and that whilst Mr H may have had difficulties in receiving or making calls abroad, this service couldn't penalise the bank for this. The investigator said they thought the compensation offered by Virgin Money was fair.

Mr H didn't agree. He said he'd contacted Virgin Money multiple times whilst he was abroad and each time he called he was told that the transaction would work. Mr H says he tried the transaction multiple times after being assured it would work but each time it kept getting rejected.

Because Mr H didn't agree I've been asked to review the complaint.

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 reviewed the terms and conditions of the account. These state (at section 16.1) that the bank may prevent or limit the use of the card or decline a transaction. Mr H agreed to these terms and conditions when he took out the card.

In this case, Virgin Money has said that the transaction was blocked due to security concerns. It has explained that its systems will block transactions if they are unusual for the customers spending pattern or if there are concerns about the transaction being fraudulent.

Based on what I've seen, I'm unable to say that Virgin Money made an error when it blocked the transaction, because it acted in line with the terms and conditions.

I can see that Virgin Money sent a text to Mr H asking him to confirm whether the transaction was genuine. Mr H didn't respond to the text message. Virgin Money also left a voice message and sent an email to Mr H asking him to get in contact.

Mr H has explained that he wasn't able to use his phone abroad. I appreciate that this is likely to have caused difficulties in receiving or responding to text messages, calls and emails. However, based on what I've seen, the Virgin Money has followed its process correctly for blocked transactions, and I'm unable to say that it was unreasonable for Virgin Money to follow its processes in circumstances where it wasn't aware that Mr H was having difficulties with his phone.

I can see that Mr H contacted Virgin Money via Live Chat and was advised to contact the fraud team. During the chat, Mr H made Virgin Money aware that he wasn't able to accept calls or make calls out on his mobile phone, so Virgin Money suggested that Mr H used the hotel land line. I appreciate that Mr H said he would've preferred to be able to deal with the issue via Live Chat but Virgin Money has said that this wasn't possible and in the circumstances, I don't think it was unreasonable to suggest that Mr H use the hotel telephone to contact the fraud team. That said, I think Virgin Money were right to recognise that Mr H wasn't happy that he couldn't resolve the issue via live chat. I think it was reasonable for Virgin Money to offer an apology for poor service.

Mr H has said that when he contacted the fraud team and spoke to an agent, he was assured that transactions would work. I can see that a further transaction was blocked on 4 January 2024.

I've reviewed the system notes. Mr H has said that he called the fraud team multiple times, but I've only been able to find evidence of two calls, one on 3 January 2024 and one on 11

January 2024. In the second call, Mr H was advised that there was no guarantee that this wouldn't happen again, as it was a security measure. I appreciate that it must've been frustrating for Mr H to have a transaction rejected a second time. However, I can't see that Virgin Money gave any guarantee that the transactions would go through, and in fact, the advice given was that they couldn't guarantee that it would happen again as part of the measures to protect customers from fraud.

I understand how frustrating it must've been for Mr H to have the use of his card restricted in this way. However, this service can't tell a bank how it should operate its fraud security measures and processes. Only the Financial Conduct Authority (FCA) as the regulator can do that. Based on what I've seen, Virgin Money has followed its processes correctly, so I'm unable to say that it made an error or treated Mr H unfairly.

I appreciate that Mr H will have suffered distress and inconvenience as a result of his card being blocked. I've thought about whether the compensation offered by Virgin Money is fair. On balance, I think it is fair, because Virgin Money didn't make an error or do anything wrong. But it has recognised that the circumstances impacted on Mr H's time abroad.

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 4 December 2024.

Emma Davy
Ombudsman