

The complaint

Ms S complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY trading as Ulster Bank blocked her card when she was trying to pay for shopping. And that it failed to provide a response to her complaint.

What happened

In December 2024, Ms S tried to use her contactless card to pay for shopping. It was declined, and as I understand from Ulster Bank, she was asked to enter her PIN. It says she didn't enter her PIN but used a different method of payment. Ms S tried to use her card a couple more times using an online payment service, but these transactions were again declined.

On the same day Ms S contacted Ulster Bank through its online chat service and she was told to call the fraud team. An adviser tried to call her and left a voicemail. She called back at around 7:00 PM that day. Ulster Bank verified the transactions and unblocked the card.

Ms S was concerned about why her card was blocked and made a complaint to Ulster Bank. After eight weeks it still hadn't responded to the complaint but gave Ms S rights to refer it to this Service.

Our Investigator explained that the card was blocked due to Ulster Bank requesting Ms S to enter her PIN. The following two transactions were blocked as she still hadn't entered her PIN and the bank was concerned about fraud. They said that the bank had dealt with the matter adequately having unblocked her card on the same day.

Ms S didn't agree and the matter has been passed to me for review.

I issued a provisional decision. In it I said that Ms S shouldn't have had to come to this Service to get an answer to her complaint. And she was clearly anxious about her card being blocked. I said that Ulster Bank should pay compensation of £50.

Ulster Bank accepted my provisional findings.

Ms S said had Ulster Bank explained the situation at the time she would have been happy to accept the £50. But due to the time and energy required to push for answers and understanding, she doesn't agree £50 is a fair amount to offer for the upset and distress caused.

She also said she has been unable to action other issues with Ulster Bank, as it will not help her until this complaint is closed. As a result, she says she has been left distressed and in financial difficulty for over seven months.

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.

The following were my provisional findings:

unblocking the card

I can understand Ms S's distress, when paying in a supermarket there is a lot of pressure to get the shopping through quickly. However, the reason the contactless card was declined was purely so that the PIN could be entered. This wasn't saying that the payment was a fraud.

In common with most banks after a certain number of transactions on a contactless card a PIN will be asked for. I understand that Ms S says she did try to enter the PIN but Ulster Bank's activity log says that she didn't.

The following two transactions were also blocked, because Ms S still hadn't entered her PIN. I can understand that Ulster Bank would be concerned that someone other than the customer was using the card. This would also be the reason why it didn't text her and ask her to contact it.

I've noted that Ms S contacted Ulster Bank on its online chat that afternoon and she was told to contact the fraud team. And I note also that an adviser tried to contact her later that day. She was able to get her card unblocked by 7:00 PM. I understand her concern that it took several hours but I think it was reasonable for Ulster Bank to ask Ms S to contact its fraud team.

dealing with the complaint

Ms S says that in its response letter Ulster Bank didn't provide a link to this Service's leaflet. Looking at the letter, the link is clearly there.

However, Ms S's complaint wasn't difficult to answer. She's told us that she does suffer from anxiety. And Ulster Bank still hadn't provided an answer to her complaint by March 2025. It could have called her. My view is that she shouldn't have had to come to this Service to get an answer to her complaint. And she was clearly anxious about her card being blocked. For that reason, I think Ulster Bank should pay compensation of £50.

I note Ms S's comments. I should emphasise that this decision concerns her complaint about her card being blocked for contactless payments in December 2024. That in my view was resolved later on the same day by the card being unblocked. I do think that Ulster Bank failed to give Ms S an explanation for this and as a result she remained anxious as to why the card was blocked. That is the reason for the compensation award of £50 which I think is reasonable.

I can't account for other issues Ms S may have with Ulster Bank. And I'm sorry that she has been in financial distress. But in my view that isn't a result of this complaint. So, if Ms S has other issues, then she would need to pursue these separately with Ulster Bank.

So, I remain persuaded by my provisional findings. Those findings are now final and form part of this final decision.

Putting things right

Ulster Bank should pay Ms S £50.

My final decision

I uphold the complaint in part and require NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY trading as Ulster Bank to pay £50 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 26 August 2025.

Ray Lawley
Ombudsman