DRN-5756093

The complaint

Mr F complains that The Co-operative Bank Plc (‘Co-op Bank’) should pay him more compensation than it has offered in respect of admitted poor service issues after his debit card was blocked.

What happened

In March 2025, Co-op Bank applied a block on Mr F’s debit card after attempted transactions were flagged for security checks. When he phoned the bank about this, Co-op Bank told Mr F the card was unblocked, but he continued to have problems using his card for online purchases for a further three days or so until he contacted Co-op Bank again. When he complained, Co-op Bank said this happened because its Customer Services Team didn’t unblock his card correctly. Co-op Bank credited Mr F’s account with £50 by way of apology for the inconvenience resulting from having to make repeated calls to the bank about the difficulties he was having using his card.

Mr F didn't feel this went far enough to resolve things and he brought his complaint to us. When our investigator got involved, Co-op Bank offered Mr F a further £50 which our investigator thought was fair in all the circumstances.

Mr F disagreed with our investigator, mainly saying (in brief summary) that the compensation amount offered didn’t go far enough to adequately reflect his experience. He felt that much more substantial compensation and a written apology from Co-op Bank was warranted. He objected to what he considered to be ‘...*exactly the sort of dismissive, box-ticking attitude that has made this entire process so frustrating*’.

He asked for an ombudsman review and so the complaint has come to me to decide.

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 thought about everything I've seen and been told I’ve independently reached the same overall conclusions as our investigator. I’ll explain why I say this.

Like the investigator, I've approached this complaint in a way that reflects the informal service we provide. My role is to consider the evidence presented by the parties and reach an independent, fair and reasonable decision based on the facts of the case and the evidence provided by both sides. I may not address every single point or question raised and I've summarised much of what Mr F has said in my own words. But it doesn't mean I haven't considered all the information provided, including the call recordings provided, or that I've dismissed what Mr F has said, particularly when he's talked about how what happened made him feel. But I don't need to refer to everything in the same detail as Mr F in order to reach a decision in this case. I will concentrate in my decision on the main points that affect the outcome of this complaint. My main focus is on whether Co-op Bank has done enough to put things right given the admitted service failings it was responsible for.

As the main background facts are broadly agreed, I don't need to say more about what happened. Co-op Bank accepted that there were shortcomings and errors in the way it dealt with Mr F. So as Co-op Bank has upheld the complaint, I will concentrate on the question of fair redress, which is one of the main reasons Mr F has asked for an Ombudsman to review his complaint.

Our approach to redress is to aim to look at what's fair and reasonable in all the circumstances of a complaint and so my starting point is to think about the impact on Mr F of what happened.

I haven't been provided with any information that shows Mr F is worse off in money terms as a result of Co-op Bank's poor service. But fair compensation isn't limited to specific financial loss – it needs to properly reflect the wider impact on Mr F of Co-op Bank's service failings.

I don't doubt that Co-op Bank's admitted poor service would've been frustrating and inconvenient for Mr F. He's set out in some detail the extent and impact of what happened and how this left him feeling. I've taken into account his description of feeling publicly humiliated when his card was repeatedly declined in shops, at cash machines, online and in front of others and his concern about resulting reputational damage. He feels that what happened has had a lasting negative impact on how he's perceived, socially and professionally. He says he's lost confidence and he can't any longer use his card to make payments without fear of it being declined, which makes him anxious. He doesn't feel Co-op Bank viewed what happened as anything more than a minor inconvenience when he said he experienced '...*significant and personal disruption'.* And he sums up by saying that the emotional impact of being made to feel worthless, undermined, and powerless hasn't been recognised.

I am sorry for how what happened made Mr F feel. But some of what happened wasn't attributable to Co-op Bank making an error or acting unfairly or unreasonably. I've kept in mind that banks, including Co-op Bank, have an obligation to keep customers' accounts safe and prevent fraudulent transactions. Sometimes this can mean the bank identifies and blocks legitimate payments that a customer wants to make. Understandably, this can cause distress and inconvenience to a customer – but it doesn't necessarily mean the bank has acted incorrectly or unfairly. Checks undertaken as part of Co-op Bank's security process are designed in the interests of Co-op Bank customers to help keep their money safe and prevent fraudulent activity on their accounts.

Not having a card accepted doesn't automatically reflect on someone's creditworthiness – banks are increasingly carrying out fraud checks which means more and more of us will experience difficulties on occasion using our bank cards. And reliance on digital banking inevitably means that there will be technical issues from time to time which might mean someone's card isn't accepted. So when a card payment is declined, it isn't automatically a reflection on the card holder. We're all inconvenienced at times in our day-to-day lives – and a certain level of frustration and minor annoyance is expected. We wouldn't necessarily expect to pay compensation for this.

But it's agreed that Co-op Bank mishandled what happened after it told Mr F his card was unblocked – and compensation is warranted for that. Mr F told us that it was impossible for him to identify actual financial impact on his business due to Co-op Bank's poor service. And we wouldn't usually award specific compensation for this because of the impracticality involved in trying to precisely identify and quantify lost income attributable to Co-op Bank's poor service. Also, we don't expect to reimburse consumers for the time they spend dealing with their complaint.

But fair compensation is more than just a question of monetary loss – it also needs to properly reflect the wider impact on Mr F of Co-op Banks service failings. I've taken into account that Mr F told us that his multiple failed attempts to resolve the issue and the bank missing opportunities to fix things earlier despite him raising the problem, was distressing and frustrating – which I can completely understand.

Taking all this into account, overall I think the total amount of £100 compensation offered by Co-op Bank is fair and reasonable in all the circumstances. It broadly reflects the distress and inconvenience Mr F was caused due to Co-op Bank's poor service, bearing in mind that the original card block wasn't a bank error and there was only a three-day period when he had continuing problems because the block hadn't been lifted when it should've been. I am satisfied that £100 matches the level of award I would make in these circumstances had it not already been proposed. It is in line with the amount this service would award in similar cases, and it is fair compensation for Mr F in his particular situation.

Co-op Bank has already written to Mr F to assure him how much it values him being a long-standing customer. It said it was committed to improving standards of service for customers and feedback had been provided in respect of the learning opportunities arising from his complaint. So I don't feel it would be fair and reasonable to require Co-op Bank to write further to Mr F.

Putting things right

Co-op Bank should pay Mr F £100 total compensation, as it has already offered to do, to reflect the impact on him of its poor service. So, to be clear, it can set off the £50 paid already – which means Mr F is due to receive a further £50 comp payment.

My final decision

My final decision is that I uphold this complaint and direct The Co-operative Bank Plc to take the steps set out to put things right for Mr F.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 17 September 2025.

Susan Webb
Ombudsman