

The complaint

Mr E complains about how The Royal Bank of Scotland Plc (RBS) treated him after a contactless payment attempt with his debit card.

What happened

One evening in July 2025, Mr E attempted to make a contactless transaction to a car wash merchant, but it was declined. Due to the operation of the car wash, Mr E was unable to exit the wash until he successfully completed the transaction, so he telephoned RBS.

RBS told Mr E that he had reached the limit of the number of contactless card transactions he could make and in order to reset that system, he was required to use a chip & PIN facility either at a retailer, or an ATM (Automated Teller Machine), as it was not something RBS could reset. Mr E explained the car wash did not offer a PIN input facility, and he was in an area about which he had concerns regarding his personal safety, the distance to an open retailer, and leaving his car, so after demanding that RBS go ahead with the reset, Mr E logged a complaint. Within the complaint, Mr E also expressed his unhappiness about one of his calls being terminated by RBS.

Regarding Mr E's predicament that evening, he resolved the issue by telephoning a friend to assist him which involved a 50-mile round trip.

RBS investigated the complaint but said they could not identify any errors. In terms of the card issue, RBS explained that the limiting of contactless transactions was a security feature. And regarding the call which their staff member terminated, they explained it was necessary as the expected code of conduct was not followed. As a goodwill gesture however, RBS credited Mr E with £20.00.

Dissatisfied, Mr E brought his complaint to our service requesting compensation for what happened, and reimbursement for fuel used due to his friend's 50-mile round trip.

Our investigator looked into the complaint and issued their view in which they said they would not be asking RBS to take any further action, and reiterated what happened including the fact that there were other options available to Mr E that evening.

Mr E disagreed with this outcome and requested an ombudsman review his complaint. Mr E reiterated his circumstances that night, and that RBS should have been able to perform a reset.

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 considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I have looked at the information RBS has supplied to see if it has acted within its terms and conditions and to see if it has treated Mr E fairly.

I was sorry to learn that what should have been a straightforward purchase turned into a stressful evening and a prolonged and drawn-out complaint for Mr E. I sympathise with Mr E for the frustration he experienced. It's our role to identify if a business has made a mistake and if so, look at the impact this has had on the consumer.

If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No courtesy is intended by me in taking this approach.

From what I've reviewed from RBS, it's clear that the reason for the declined transaction was Mr E reaching a limit for contactless transactions which could only be remedied by a chip & PIN transaction. This is RBS' policy and is based on regulation, so I'm satisfied RBS followed their processes correctly.

In terms of the telephone calls that Mr E had with RBS on the evening of the decline, I note Mr E's unhappiness about how they treated him. But from listening to them myself, I found that RBS gave certainty as to what they could not do, but suggested alternatives including finding a local retailer that accepted chip & PIN, the use of an alternative payment card, and the possibility of setting up a mobile payment service. I appreciate that Mr E declined each idea, for what he considered to be valid reasons at the time, but it's important to acknowledge that RBS did make sustained attempts to help Mr E in his circumstances.

In terms of the merchant who was responsible for the car wash in question, it was entirely their commercial decision to solely offer a contactless payment pad, rather than one which allowed chip & PIN entry so it would not be fair to hold RBS responsible for this aspect.

It's clear that Mr E feels strongly that RBS should have had at the time, and should continue to have the capability to reset the contactless system to allow customers such as him to continue with their relevant purchase. But it's not within this service's remit to instruct a financial institution to change its processes; that would be for the regulator, the Financial Conduct Authority.

I turn now to Mr E's request to be compensated for his time, fuel, emotional distress, and phone calls. The root cause of the transaction decline has been established, and as RBS have said on several occasions, it is not something they had the ability to reset. In view of the absence of any RBS error here, it would not be fair to ask RBS to pay compensation. In conclusion, I cannot reasonably ask RBS to do any more.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 25 December 2025.

Chris Blamires
Ombudsman