

The complaint

Mr G complains that Vanquis Bank Limited ('Vanquis') blocked a transaction on his credit card and didn't explain why this had happened.

Mr G's unhappy with how his complaint was investigated and addressed. He'd like a formal written apology and £350 compensation for his distress and inconvenience.

What happened

Mr G successfully linked his Vanquis credit card to his digital wallet with a third-party mobile payment service I'll call 'X'. Mr G then tried to use his digital wallet, but Vanquis declined the transaction. Vanquis sent Mr G a text message to say they suspected fraud and that he should contact them to unblock his card.

Mr G wasn't happy with Vanquis' response to his complaint. Vanquis said they'd blocked the card because they'd detected suspicious activity. Mr G had several calls with Vanquis before referring his complaint to the Financial Ombudsman Service. Vanquis offered Mr G £70 as a goodwill gesture, which Mr G refused.

Our investigator didn't think Vanquis had treated Mr G unfairly and didn't recommend they take further action.

Mr G disagreed, reiterating he'd had conflicting information from Vanquis about the root cause of the declined transaction. He said Vanquis now admitted there had been an issue with X. Mr G said this shouldn't have happened as he'd authenticated the card when adding it to his digital wallet. The matter then came 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.

I've taken into account any relevant law and regulations, the regulator's rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

Having done so I have decided not to uphold Mr G's complaint, for broadly the same reasons as our investigator.

I think it's helpful to explain that my role is to resolve individual complaints based on what is fair and reasonable in the circumstances of each case. I can't interfere with a firm's processes, systems or controls nor can I fine or punish a business. Those are considerations for the Financial Conduct Authority ('FCA'), as the regulator.

Mr G says Vanquis told him the declined transaction wasn't to do with X, but later admitted it was. I've listened to a call on 25 March 2025 in which Vanquis gave Mr G a more detailed explanation of why his transaction was declined, which I won't repeat here. I don't think that

explanation materially affects the outcome of Mr G's complaint, even if it differs from what Vanquis may have originally said. I'll explain why.

I acknowledge Mr G relied on his card being added successfully to his digital wallet because Vanquis had confirmed this. But I don't agree this meant Mr G was entitled to use his card in all circumstances. While it was mortifying for Mr G to be stranded at a busy till with no alternative means of payment, I can't fairly conclude that this shouldn't have happened as Vanquis' system identified a potential risk.

While I'm mindful of Mr G's frustrations our service is not the financial regulator, and we are unable to interfere with the processes and systems a business puts in place. It's not for me to determine what a valid risk is.

I think it was fair that Vanquis followed their process in these circumstances which is designed to protect Mr G's account and Vanquis' business. Vanquis notified Mr G when his account was blocked, and unblocked the account promptly when satisfied there was no risk.

I acknowledge Mr G feels Vanquis lied to him but I've taken a different view. I think it was fair for Vanquis to withhold information from Mr G as I don't think he is entitled to know exactly why his transaction was declined. I'd only expect Vanquis to give a headline reason for this. I wouldn't expect Vanquis to give Mr G specific information about how they detect potential fraud, nor would I expect Vanquis to confirm if Mr G had correctly identified the issue, as I think this would likely undermine their ability to operate effectively. I consider Vanquis were ringfencing information that Mr G wasn't entitled to know rather than intentionally deceiving him. I don't consider Vanquis are in breach of their obligation to communicate fairly with Mr G in these circumstances.

There's usually a level of annoyance and inconvenience when sorting things out, but Mr G had long calls with Vanquis. I consider this was mainly because Mr G wouldn't accept the answer Vanquis had given him, not because Vanquis wouldn't unblock his account. Vanquis fairly indicated Mr G could refer to our service if he remained unhappy with their final response to his complaint.

Mr G's unhappy with how Vanquis investigated and handled his complaint. I agree with our investigator that Vanquis' complaints handling isn't something this service can consider.

As I don't think Vanquis acted unfairly, I won't direct them to compensate Mr G. It's for Vanquis to decide if they wish to extend their offer of £70 to Mr G again.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 12 November 2025.

Clare Burgess-Cade
Ombudsman