

The complaint

Miss A complains that Clydesdale Bank Plc trading as Virgin Money blocked her from using her credit card, and made it difficult for her to use it again.

What happened

Miss A was on holiday abroad and tried to use her credit card to make a purchase online. Virgin blocked her account and sent Miss A a SMS message to verify her transaction. Miss A didn't receive the message as she was abroad. She was then given a number in the UK to call. Miss A tried to use Virgin's web chat service but it was unavailable when she needed it.

Miss A complained to Virgin. In response, Virgin said it hadn't made an error in applying a block to her account and its terms didn't guarantee she would always be able to use her card. So, it said it wasn't liable for any loss this caused. Virgin said it followed its processes in sending an SMS to her and, where it doesn't receive a SMS in return, requiring her to call them. Virgin said it had made a business decision about the hours its web chat service operated and hadn't made an error. It did, however, accept Miss A tried to call 9 times in one day, and credited her account with £100 compensation.

A referred her complaint to our service. She spent a day of her holiday trying to get through to Virgin to get her card unblocked, and it cost her money to make calls from abroad. Miss A felt Virgin was hiding behind its terms and conditions, was letting customers abroad down, and should offer different ways of contacting Virgin.

One of our investigators reviewed Miss A's complaint and didn't recommend Virgin take further action. They said Virgin hadn't made an error in following its process of flagging Miss A's transaction, and requiring her to send a SMS or call them. The investigator explained we can't ask Virgin to change the way it operates. They said Virgin had admitted Miss A experienced inconvenience in calling them, and thought the £100 compensation it had paid was fair in the circumstances.

Miss A asked for her complaint to be referred to an ombudsman. She felt it was unfair for Virgin to send a SMS to someone who couldn't receive it, and was concerned about customers who don't have mobile phones.

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 understand Miss A feels Virgin should offer customers other ways of getting in touch, such as WhatsApp or online. However, it isn't the role of the Financial Ombudsman Service to tell Virgin to change how it operates or what services it should offer. I can't, for example, tell Virgin it shouldn't change the hours of its webchat service, offer a WhatsApp chat or provide alternative means for customers without mobile phones to contact them when fraud is suspected. Instead, my role is to decide whether Virgin made an error in this particular complaint and, if it has, whether it has done enough to put things right.

The terms of Miss A's account say it doesn't guarantee her card will always be available to use. The terms also say Virgin may prevent or limit use of the card where it suspends unauthorised use, a transaction differs from her normal spending pattern or it has other security concerns. If Virgin suspects fraud, it will make further checks.

Whilst I realise Miss A feels Virgin are hiding behind its terms and conditions, I'm satisfied these don't guarantee her card will always be available to use and allow Virgin to prevent use, or make further checks if it suspects fraud. Here, Miss A was using her card abroad, which is clearly different to her usual spending patterns. I also don't think it was unreasonable for Virgin to check the transaction wasn't fraudulent, given it was being attempted abroad.

It is for Virgin to decide on its processes where it suspects a fraudulent transaction. Virgin decided to send customers SMS messages. It's unclear why Miss A didn't receive Virgin's SMS but it is possible for customers to send and receive these abroad. So, I don't think Virgin's decision to send a SMS was unreasonable. Virgin asked Miss A to call them as she couldn't send a SMS. In the circumstances, I don't think it was unreasonable that Virgin wanted to speak to Miss A to verify her account wasn't being used fraudulently.

Virgin has admitted it took Miss A several attempts to get in touch and, on one occasion, she was on hold before being cut off. It has offered her £100 compensation. As I said above, I can't tell Virgin to change its processes or improve its customer service. I can only consider the inconvenience caused to Miss A. I don't think Virgin made an error in putting a block on her account until they spoke to her. The process of unblocking an account may likely have always caused some inconvenience for a customer having to call. However, I agree with Virgin that being on hold for over an hour, with repeated attempts to get through, goes beyond the usual day to day inconvenience. Overall, I think Virgin's compensation of £100 acknowledges that Miss A was put to additional inconvenience and expense in trying to reach Virgin on multiple occasions. Whilst I realise my decision is likely to disappoint Miss A, I've not recommended Virgin pay her additional compensation or change its processes.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 20 March 2026.

Victoria Blackwood
Ombudsman