

The complaint

Mr P is unhappy that Barclays Bank UK PLC, trading as Tesco Bank, restricted his account after he had confirmed to them that an attempted transaction that they'd held concerns about was legitimate.

What happened

Mr P tried to make a payment using his Tesco credit card but input the wrong card expiry date. Mr P then tried to make the payment again several further times, but each time input the wrong card expiry date.

This caused Tesco to restrict his account, and when Mr P later tried to make the transaction again, this time using the correct expiry date, he received an automated call from Tesco in which he confirmed that the attempted payment was legitimate and which resulted in the attempted payment being successfully made.

Later that same day, Mr P tried to pay for groceries using his Tesco credit card but found that the card was still restricted. Mr P wasn't happy about this, so he raised a complaint.

Tesco responded to Mr P but didn't feel that they'd done anything wrong and explained that two different blocks had been applied to his card because of the multiple failed transaction attempts. Tesco further explained that only one of those blocks had been removed following the call Mr P had received from Tesco, which was why Mr P hadn't been able to pay for groceries using his card. Mr P wasn't satisfied with Tesco's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. They felt that it was reasonable for Mr P to have held the understanding that his card would no longer be restricted after speaking with Tesco and felt that Tesco should have been clearer in their communication with Mr P. Because of this, our investigator upheld Mr P's complaint and said that Tesco should pay £100 compensation to him. Tesco didn't agree with the view put forward by our investigator, so the matter was escalated to an ombudsman for a final decision.

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 done so, I don't feel that Tesco have treated Mr P fairly here. Specifically, I feel that when Tesco spoke with Mr P, they should reasonably have removed all the blocks on his account, including the block for excessive card usage that remained in place, and which Tesco missed a clear opportunity to discuss with Mr P.

Tesco have said that when they restricted Mr P's account it was on two grounds, the first being that they held concerns about the specific transaction, and the second being that they held concerns about the number of transactions that Mr P had tried to make. Tesco have also confirmed that these concerns resulted in two separate blocks, and that as per their

processes, only the block about the specific transaction was removed when Mr P spoke with them, meaning that the block about the number of transactions remained in place.

But given that the multiple transactions about which Tesco were concerned were all attempts by Mr P to make the same transaction, it doesn't seem fair or reasonable that Tesco would allow the excessive transactions block to remain in place while removing the transaction concern block.

Tesco have said that while their terms and conditions don't outline every instance of when a block will be applied, they do provide a general explanation, as follows:

"In certain circumstances, we'll need to suspend or restrict the use of your account. We'll only do this for a good reason, including when:

- *We have reasonable grounds to suspect fraud, misuse or criminal activity.*
- *We have reasonable grounds to suspect the security of the card has been compromised.*
- *We reasonably consider this is necessary to protect the security of your account.*

Tesco have also explained that they feel all three of the above bullet points reasonably apply here. However, I'm not persuaded that they do. And I feel that Mr P's confirmation that the transaction in question was legitimate does effectively disarm all of the above concerns. And as such I don't feel that Tesco had reasonable grounds to apply an ongoing excessive transaction restriction to Mr P's account for any of the above reasons.

Tesco have also pointed out that in leaving the excessive charging block in place they were acting in alignment with their own internal policies. That may be the case, but in this instance I feel that Tesco's acting in alignment with their own internal policies has led to an unfair outcome for Mr P, and so I'll be upholding this complaint in his favour.

Tesco have also said that Mr P could have called them when his card was declined while trying to pay groceries. But I don't feel it was unreasonable for Mr P to have prioritised finding a way to pay for his groceries, which thankfully he was able to do by taking his groceries from the till and leaving them in the store, then leaving the store and taking out cash from an ATM, before then returning to the store. And I also feel that the frustration and embarrassment Mr P has explained he experienced because of what happened could and fairly should have been prevented by Tesco, had they acted as I would reasonably have expected and with Mr P's overall account position in mind.

Accordingly, my final decision is that I uphold this complaint in Mr P's favour and instruct Tesco to pay £100 compensation to Mr P for the trouble and upset he incurred here. In arriving at this compensation amount I've considered the inconvenience and embarrassment Mr P experienced alongside the general framework this service uses when assessing compensation amounts, details of which are available on this service's website. And, having done so, I feel that £100 is fair compensation amount.

Putting things right

Tesco must pay £100 to Mr P.

My final decision

My final decision is that I uphold this complaint against Barclays Bank UK PLC, trading as Tesco Bank, on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 9 March 2026.

Paul Cooper
Ombudsman