

The complaint

Ms B complains that Bank of Scotland plc trading as “Halifax” declined a transaction she attempted to make while she was away on holiday.

What happened

Ms B says she went on holiday and before travelling, she let Halifax know. She went to a restaurant for her birthday, and when she went to pay with her Halifax credit card, the card machine said the PIN was incorrect. She says she knew it was the correct PIN but checked to make sure. She attempted the transaction again; and again, it came back stating an incorrect PIN had been entered. Ms B says the situation caused significant embarrassment. And she had to go back to the hotel to get another payment method to pay her bill at the restaurant.

Ms B says she has lost out as a result of having to get a taxi back to her hotel to get another payment method; she has also lost out by having to pay to call Halifax while she was away.

Halifax didn't think it had done anything wrong when it declined the transaction. But it paid Ms B £30 to recognise the inconvenience the decline would have caused.

An Investigator considered the information provided by both parties, but they didn't uphold Ms B's complaint. They didn't think that Halifax had done anything wrong in blocking the transaction, and they felt that Halifax had made attempts to contact Ms B.

Ms B didn't agree with the Investigator's view. She said that Halifax hadn't adequately compensated her for her losses due to its action in declining the transaction. She said that when she called them to let them know she was travelling, she was told she didn't need to do this, however they still declined a transaction she made while away. Sending a text doesn't absolve Halifax from being negligent.

Because an agreement couldn't be reached, the complaint has been passed to me to decide on the matter.

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 considered all of the evidence available to me I don't uphold Ms B's complaint.

Halifax's terms and conditions allow for it to decline a transaction for various reasons. One of these reasons is where it suspects fraud. Halifax says it declined the transaction because it was concerned about the risk of fraud, and so I can't fairly find that it has acted outside of the terms and conditions of the account.

It is up to Halifax to decide what fraud prevention measures it has in place – some of these measures include declining transactions and blocking the spending facility on the account

where it feels there might be a risk of fraud. It does this to protect both itself and its customers from becoming victims of fraud. I can understand these measures can be frustrating in the moment and even lead to significant embarrassment when a transaction is declined, as I understand to be the case here. But I don't find Halifax's actions in blocking the transactions or account to be unfair or unreasonable. It has ultimately done so to protect both itself and Ms B's account from being misused.

I note Ms B believes that the transaction was declined because she was abroad, and that she contacted Halifax to let it know prior to her going away. But the reason the transaction was declined was because it triggered Halifax's fraud prevention systems, not because she was away. I can see that other transactions did go through prior to this one being declined, therefore I'm more persuaded the decline was in line with Halifax's fraud prevention.

I note that when Ms B's transaction was declined, Halifax sent her a text message and tried to call her to verify the transaction; it did this to check the account wasn't being used in a fraudulent way. This is a fairly typical process when a transaction is blocked by fraud prevention systems, and I can't see that Halifax has done anything wrong in the way it has attempted to contact Ms B about the transaction. I note that Ms B says that she lost out having to call Halifax – and that this was more expensive because she was away at the time. But I can see that Ms B also had the option of responding to the text message Halifax sent her – this in my view isn't unreasonable. I note that it's possible that Ms B might not have seen at the time that Halifax were trying to contact her on her phone, but I can't fairly hold it responsible for this. It did what I would have expected it to do in trying to get in touch with Ms B to verify the transaction.

Overall, I'm satisfied that Halifax didn't treat Ms B unfairly when it declined the transactions and placed a block on her account. And because of this, I won't be asking Halifax to compensate her for any of the losses she says she incurred as a result of it declining the transaction.

My final decision

For the reasons set out above, I don't uphold Ms B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 11 March 2026.

Sophie Wilkinson
Ombudsman