

The complaint

Mr F complains that Clydesdale Bank Plc trading as Virgin Money (“Virgin”) declined two transactions he attempted to make using his credit card at the end of a foreign holiday.

What happened

Mr F holds a Virgin credit card. He travelled abroad in September and October 2025 and reports using his credit card on multiple occasions during his trip. But Mr F’s credit card was declined on two occasions at the end of his trip – whilst trying to purchase fuel before returning his hire car, and when making a payment at the hotel he was using. Mr F contacted Virgin to discuss the problems on his return home a few days later. He was directed to use an ATM in order to reset his card’s functions. Mr F complained to Virgin about what had happened.

Virgin didn’t think it had been wrong to block the transactions on Mr F’s credit card. It explained that it couldn’t guarantee any individual transactions would be processed. It said that each transaction was reviewed against a risk score and declined if it was deemed a security risk. But Virgin agreed that it hadn’t dealt with Mr F’s phone enquiries as well as it should have done. It paid him a total of £50 for the inconvenience he’d been caused. Unhappy with that response Mr F brought his complaint to us.

Mr F’s complaint has been assessed by one of our investigators. He didn’t think Virgin had acted unfairly when it blocked the two transactions. The investigator thought that the compensation Virgin had paid Mr F for any inconvenience he’d been caused in the way it had dealt with his phone calls was fair. So, the investigator didn’t think the complaint should be upheld.

Mr F didn’t agree with that assessment. So, as the complaint hasn’t been resolved informally, it has been passed to me, an ombudsman, to decide. This is the last stage of our process.

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.

In deciding this complaint I’ve taken into account the law, any relevant regulatory rules and good industry practice at the time. I have also carefully considered the submissions that have been made by Mr F and by Virgin. Where the evidence is unclear, or there are conflicts, I have made my decision based on the balance of probabilities. In other words, I have looked at what evidence we do have, and the surrounding circumstances, to help me decide what I think is more likely to, or should, have happened.

At the outset I think it is useful to reflect on the role of this service. This service isn’t intended to regulate or punish businesses for their conduct – that is the role of the Financial Conduct Authority. Instead, this service looks to resolve individual complaints between a consumer and a business. Should we decide that something has gone wrong we would ask the

business to put things right by placing the consumer, as far as is possible, in the position they would have been if the problem hadn't occurred.

When Mr F first took out this credit card he would have agreed to its terms and conditions. Of particular relevance to this complaint is section 6.9 of those terms and conditions that says;

"We do not guarantee you will always be able to use your card or card details. We will not be liable for any loss you, or an additional cardholder, may suffer as a result."

Virgin has explained that Mr F's card had been blocked whilst he was abroad. Although it cannot be sure of the exact reason that block was added, it says that it would usually be applied if the PIN had been entered incorrectly on a number of occasions or if the card had been used for multiple contactless transactions without a PIN authorised transaction being made.

It is for Virgin to decide how best to protect its interests, and those of its customers, from fraudulent transactions being applied to credit card accounts. The two circumstances I have set out above are most likely only a subset of the reasons a card might become blocked. But it wouldn't be reasonable for Virgin to be expected to set out all the reasons it might block a credit card – to do so would provide useful information to those intent on committing fraud. In line with the terms and conditions I have set out above it is for Virgin to decide, on every transaction, whether that payment should be allowed.

There is little doubt how concerning it would have been for Mr F to temporarily lose the use of his credit card, particularly when he was travelling overseas. But it does seem that once he spoke with Virgin it was able to direct him how to resolve the issue and get his card reactivated. Mr F has acknowledged that this was a relatively straightforward process. But Virgin has accepted that it didn't deal with Mr F's initial calls as well as it would have wanted. So that no doubt caused him some inconvenience in excess of that caused by the blocked transactions.

I have thought carefully about the compensation that Virgin has paid to Mr F for that inconvenience. And I have considered the levels of award that I would expect to make in circumstances similar to these. Having done so I have concluded that the payment Virgin has made for Mr F's inconvenience when he called to report his blocked card is fair and reasonable. And as I don't think Virgin acted incorrectly when it initially blocked the card, I don't think any further compensation is warranted.

I appreciate that this decision will be disappointing for Mr F. But as Virgin has set out in the terms and conditions of the card that Mr F accepted, it does not guarantee that any individual payment request will be successful. I haven't seen anything to make me think that Virgin acted unfairly when it blocked the transactions that Mr F tried to make at the end of his holiday.

My final decision

For the reasons given above, I don't uphold the complaint or make any award against Clydesdale Bank Plc trading as Virgin Money.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 13 May 2026.

Paul Reilly

Ombudsman