

## **The complaint**

Mr W complains that Clydesdale Bank Plc trading as Virgin Money placed a block on his card preventing payments to a specific merchant. He'd like compensation for the impact caused to him.

## **What happened**

Mr W has an account with Virgin Money.

Mr W advises he contacted Virgin Money to ask them for help with a payment he made to a online marketplace, I'll call V. On making the call Mr W advises Virgin Money told him that if they attempted to block the payment this may impact on future purchases he tries to make with V. So, Mr W asked Virgin Money not to take any action.

Unfortunately, after the phone call Mr W then had difficulty in making purchases to V. He contacted Virgin Money who reassured him there wasn't a block on his card, and he should be able to make purchases. However, after further communication Virgin Money identified that transactions to V were blocked and the best solution to this was to issue Mr W with a new debit card.

Mr W argued this caused him significant inconvenience in having to contact Virgin Money and V on several occasions to resolve the issue and change his card details for recurring payments.

Virgin Money accepted they'd made an error in adding a block and offered Mr W £50, but Mr W didn't think this was sufficient so brought his complaint to our service. One of our Investigators looked into Mr W's complaint and thought the inconvenience caused to Mr W was greater than that awarded by Virgin Money, so increased their recommendation to £150.

Mr W didn't accept and he argued the impact on him was far more significant and £500 - £1,000 is a fairer sum.

Virgin Money replied and asked for evidence of the contact Mr W had with them. They didn't indicate whether they accepted our Investigator's view.

As neither party accepted it's been passed to me to decide. On picking up the case I asked for more information from both parties including from Mr W evidence of the phone calls he made to Virgin Money, and from Virgin Money a copy of the phone call where the block was added. I've considered their responses below.

## **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.

Unfortunately Virgin Money haven't been able to supply our service with a copy of the phone call between themselves and Mr W regarding Mr W's request for the payment to V to be blocked. However, both parties appear to accept the call took place and the block preventing

payments to V was added in error. Therefore, I'll conclude this was likely the case.

What's left for me to consider is the impact of the block on Mr W. It's clear the block prevented Mr W making payments to V. And I've seen evidence of attempts Mr W made to speak with V regarding the issue. What's less clear to me is how much contact Mr W had with Virgin Money regarding the issue. Virgin Money have been unable to provide me with contact notes between themselves and Mr W and they can't find any other recorded calls on their system relating to V – apart from the call where the block was identified. I've also seen evidence that Mr W spoke with Virgin Money via live chat, however that's on the day that he also spoke to them via a phone call and they identified payments to V were blocked.

Mr W has argued that he phoned Virgin Money about this issue 'up to five times' and he also spoke to them via live chat. Our service asked Mr W for evidence of the calls he made but this hasn't been provided.

Despite this, I'm satisfied that Mr W was caused inconvenience by Virgin Money's actions in blocking payments to V. This includes him having to contact both V and Virgin Money about the issue, receiving a new debit card and having to update recurring payments.

I've thought about the length of time Mr W was unable to make payments to V, a period of just under two months, and the amount of contact Mr W had with Virgin Money regarding the issue. I appreciate Mr W argues he had several calls and conversations via live chat with them regarding the issue - however I've only seen evidence of one phone call and one conversation via live chat.

### **Putting things right**

For the reasons I've outlined above I'm satisfied that Mr W was caused inconvenience by the block Virgin Money added, and I think £150 is in line with our approach for awards and fairly compensates him for the impact.

### **My final decision**

My final decision is I uphold Mr W's complaint. And I direct Clydesdale Bank Plc, trading as Virgin Money, to:

- Pay Mr W £150 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 21 May 2026.

Jeff Burch  
**Ombudsman**