The complaint

Mr B complains that Curve UK Limited were unable to move a transaction from one card to another.

What happened

Mr B says that as part of his subscription with Curve he has the ability to move a transaction from one card to another. He says he requested this on 13 August 2022 after he had made a mistake, but Curve were unable to action this. He says he contacted the third party bank where he was trying to move the transaction to, and he was informed by them that no attempts were made to change the merchant he wanted to move to. Mr B made a complaint to Curve.

Curve partially upheld Mr B's complaint, They said that on 13 August he got in touch with them to move a transaction from one card to another card. On 21 August Mr B received correspondence from a Curve agent to let him know that when they tried to process the transaction, his bank sent them a limits exceeded message, which usually means that he's hit a spending or credit limit with his underlying card. On 22 August, he let Curve know that his bank hadn't received any transaction attempts, and for them to move his transaction to a different card. Curve said they responded on 23 August to say they had tried to move the transaction to the card Mr B specified, but they received another limits exceeded message from Mr B's bank.

Curve said that on 26 August, a Curve agent let Mr B know they manually attempted a go back in time method for the transaction, using two different cards, but these were also declined with a limits exceeded message, and they requested he contacted his bank regarding this, but when Mr B did this, they said they weren't receiving any transaction attempts. Curve acknowledged there was delays with responses from their agents and that Mr B had to send follow up messages, so they credited his account with £15. Mr B brought his complaint to our service.

Our investigator upheld Mr B's complaint. She said that this was a finely balanced case. But on balance she found it most likely Curve were responsible for any errors that prevented Mr B's card providers from receiving the requests. She said Curve should reimburse Mr B the charges and interest he incurred and pay him £150 for the avoidable inconvenience caused.

Curve asked for an ombudsman to review Mr B's complaint. They made a number of points. In summary, they said the original transaction was authorised on 10 August 2022. Then, the two Go Back in Time (GBiT) attempts, took place on 21 August and 23 August, and as they've explained, both of these attempts were declined via the underlying payment cards due to a Limit Exceeded decline response, which indicates that either Mr B didn't have enough money available, enough of their spending limits available, or their bank's risk engine likely kicked in to block the transaction.

Curve said even if Mr B was able to GBiT the transaction, they were unable to guarantee that by refunding the transaction on the original payment card and charging it to the other payment card, that this would refund the cash advance fee implemented by Mr B's bank.

Curve said this is because the underlying bank controls whether they refund the incurred fees, due to the transaction already being processed by them. They said they have also seen issues and complaints from customers of this specific issuer who have not had fees refunded after using the GBiT feature.

As my findings differed in some respects from our investigator's, I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Both parties have made a number of points to this service, and I've considered and read everything they've said and sent us. But, in line with this service's role as a quick and informal body I'll be focusing on the crux of this complaint in deciding what's fair and reasonable here.

I must make Mr B aware that I'm only able to look into the actions of Curve on this complaint he has brought to us. If Mr B feels that any other party involved here has let him down, then he may be able to make a complaint to those companies if he hasn't already done so.

As the transaction that Mr B wanted to move was over £5,000 - which is the limit for the GBiT feature on the Curve application (app), Mr B contacted Curve for them to manually move this to another card. I can see that Curve made two requests with two different current account providers to try and move the transaction.

The first manual request was made on 21 August 2022. I can see that this request was declined with a 20061 response (decline) code. Curve provided me a list of possible issues listed under this decline code. These include, expired card, updated information available, authentication (additional information needed), over credit limit, insufficient funds, account closed, suspected fraud, recurring agreement cancelled.

I also asked Curve to confirm that it wasn't a decline message from themselves or their acquiring partner who handle their payments since the £5,000 app limit had been exceeded. But they confirmed it wasn't due to this. They've told me that the GBiT limit does not apply when creating authorisation requests using their systems, and the support team is able to move transactions of any amount. The app limit wouldn't have applied here as it was a manual process they used for Mr B.

Curve have also reached out to their acquiring partner, and they have forwarded me a partially redacted spreadsheet of all of the authorisation attempts to the building society that the card was issued by on 21 August 2022. There are 678 transactions in total and the decline message for Mr B was the only time out of all of these other transaction attempts which had the decline code of 20061. Some other customer's cards were declined for other reasons and most of the transactions were approved, which suggests there wasn't a problem on Curve's side.

Curve have also explained to me that If there were any block from Curve or their acquiring processor, the request would have been declined before reaching the card issuer. But they have confirmed with their acquiring processor that these requests have reached the respective card issuers, and that the requests were then declined by them. So the evidence I've seen does not suggest that Curve were responsible for the declines here.

I would point out to Mr B that for the GBiT attempted on 21 August 2022 from the building society, that I've noticed the card used wasn't in his name. So it's probable that this wouldn't have been successful even if the 20061 decline code wasn't showing. I asked Curve to

confirm that the card wasn't in Mr B's name to ensure the data their acquiring processor provided was correct and they told me that this slipped through their system safeguards and had so far gone undetected. They have flagged it to their Fraud team, and they've requested removal of the card from Mr B's account as adding a third party funding card is against Curve's terms of service. So it may be that Mr B sees this card removed from his account, but the reality is that Mr B shouldn't have tried to add it in the first place and Curve shouldn't have allowed this to be added.

I've looked at the GBiT attempt on 23 August 2022. This time I can see that the underlying card was in Mr B's name. Again, I've looked at the spreadsheet from transactions attempted on this day from Curve to the specific bank. From the 3,071 payment authorisation attempts to this bank on 23 August 2022, I can see that Mr B's authorisation attempt is the only one of these transactions with a 20061 code again.

Curve have also reached out to their acquiring processor to see if they could provide any further information about the declines. They confirmed that the decline code is not coming from them but the issuing bank. They said the issuing bank will also not provide (decline) information to them as this is considered sensitive and private. They said only the cardholder can get the confirmation from the bank, and if they could provide Curve with any additional information on the declined payments then they would be pleased to do so.

It's not clear that even if the GBiT feature worked here whether the cash handling fees would have been voided by Mr B's credit card provider. I know Mr B reached out to them and he says if the transaction was reversed, then the fees would be removed. But Curve have told me that "If the funds have already been captured from the original payment card at the time of using the Go Back in Time, we would issue a refund rather than reverse the payment". So as the payment would be refunded as opposed to reversed, I'm persuaded that there would be a possibility that the fees wouldn't have been refunded. I say this because Curve have acknowledged that they have seen issues and complaints from customers of Mr B's specific issuer who have not refunded fees after using the GBiT feature.

So based on the evidence that I've seen, I can't say that Curve were responsible for the GBiT feature not working here. They attempted to use this with different cards (albeit they should have only used the one in Mr B's name) and the spreadsheet shows this was the only transaction which wasn't authorised on those two days for the specific decline reason. So if there was an error with Curve or their acquiring processor, I would expect more than one person to be affected by this decline code on these two days, but the evidence shows no other Curve users experienced this decline code on these two days the GBiT was attempted for Mr B with those banks involved, and there hasn't been any issues with processing the transactions in general.

Curve have acknowledged that they let Mr B down with the level of service they provided him and the delayed responses to his queries which caused him inconvenience. They said they credited his Curve Cash account with £15, and they would apply a coupon to his account for one month of his Curve subscription as a gesture of goodwill. I'm satisfied this is proportionate for the delayed responses, but as I'm not persuaded that Curve were responsible for the GBiT attempts not being authorised and declined, it follows I don't intend to ask them to do anything further."

I invited both parties to let me have any further submissions before I reached a final decision. Curve accepted the provisional decision. Mr B responded to the provisional decision, and he made a number of points. In summary, he said while he understands that this complaint focuses on Curve's inability to move the transaction successfully, his complaint involves more than one business, and it really covers the fact that he couldn't use one of Curve's features.

Mr B said that the fees would have been refunded as the transaction identification would have been the same, which was confirmed by the credit card provider when he phoned them, if the same transaction identification was provided. He said the card in question with the third party building society was a joint account and therefore the name would have been ok. Mr B asked if the attempts that I saw on the spreadsheet were all over the £5,000 app limit, or where they manual transactions.

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 this involves more than one business. But this complaint specifically focuses on Curve's actions. As I said in the provisional decision "*I must make Mr B aware that I'm only able to look into the actions of Curve on this complaint he has brought to us. If Mr B feels that any other party involved here has let him down, then he may be able to make a complaint to those companies if he hasn't already done so*".

I've considered what Mr B has said about the fees being refunded if the transaction identification would have been the same. But as Curve had said they would issue a refund rather than reverse the payment, it's possible the transaction identification wouldn't be the same. As I said in the provisional decision "*So as the payment would be refunded as opposed to reversed, I'm persuaded that there would be a possibility that the fees wouldn't have been refunded. I say this because Curve have acknowledged that they have seen issues and complaints from customers of Mr B's specific issuer who have not refunded fees after using the GBiT feature.*"

While Mr B has said the card for the third party building society was a joint account, the fact remains the card added to the Curve account was not in his name, and adding this card was against the terms of service.

I can confirm that Mr B's entry on the spreadsheet was the only one above the app limit of £5,000. But I'm not persuaded this affects this complaint. I say this because in my provisional decision I said "*Curve have also explained to me that If there were any block from Curve or their acquiring processor, the request would have been declined before reaching the card issuer. But they have confirmed with their acquiring processor that these requests have reached the respective card issuers, and that the requests were then declined by them. So the evidence I've seen does not suggest that Curve were responsible for the declines here*".

In summary, Mr B's response hasn't changed my view and my final decision and reasoning remains the same as in my provisional decision. If Mr B is disappointed, I hope he understands my reasons.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 29 December 2023.

Gregory Sloanes
Ombudsman