

## **The complaint**

Mr A complains that Bank of Scotland plc (trading as Halifax) keeps declining his card when he tries to make contactless payments.

## **What happened**

In early 2024, Mr A complained to Halifax after his bank card had been declined in store. Mr A said this had happened three times since December 2023. Mr A asked Halifax to pay compensation and stop blocking transactions.

Halifax didn't agree that it had made a mistake. Although Halifax had previously paid Mr A £30 compensation, it declined to do so again. Mr A was unhappy with this so brought his complaint to the Financial Ombudsman.

Our investigator didn't uphold Mr A's complaint. He said Halifax declined the contactless transaction due to its fraud prevention systems. Our investigator noted that Mr A was able to complete the transaction through chip and PIN.

Mr A is unhappy with the investigation outcome because Halifax previously paid him compensation when his card was declined. So, Mr A questions why it's not appropriate to pay compensation when the same thing has happened.

Mr A says that although he was able to complete each transaction after using his PIN, Halifax kept telling him that it would lift the block and that the issue would not happen again. Mr A says he found it embarrassing in store and that it could have been worse if he'd forgotten his PIN.

## **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 realise that I have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules that govern the Financial Ombudsman allow me to take this approach but it does not mean I have not considered everything the parties have given to us.

I am sorry to hear about the embarrassment that Mr A felt in store when the contactless transaction was declined. But as our investigator explained, Halifax is entitled to decline contactless transactions from time to time and instead process the transaction using chip and PIN.

In Mr A's case, Halifax has explained that it's likely the transaction in store was flagged for additional security due to the number of contactless transactions completed beforehand. Halifax's terms and conditions say that to help stop fraud, it may sometimes ask a customer to use their PIN. So, although Mr A may have found it inconvenient and embarrassing, I

don't consider Halifax acted unreasonably when it declined the contactless transaction in store. Particularly as Mr A was able to complete the transaction in store by inputting his PIN.

Just because Halifax had previously compensated Mr A doesn't automatically mean that it must do so again. I also note that the £30 Halifax paid Mr A was for something other than a declined contactless transaction, so I can't say that it previously compensated him for the same kind of issue.

As I don't find Halifax treated Mr A unfairly by requiring him to go through an extra layer of security in store, I don't require it to pay compensation. I'm sorry that this is likely to disappoint Mr A.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 23 May 2024.

Gemma Bowen  
**Ombudsman**