

The complaint

Mr C complains that Bank of Scotland plc trading as Halifax unfairly blocked his credit card while he was on a cruise.

What happened

Mr C's explained that in March 2024 he was on an international cruise when he attempted to use his Halifax credit card. A payment of \$1 was attempted on 7 March 2024 and picked up by Halifax's fraud prevention system. Halifax says it sent Mr C a text message around a minute after he attempted the payment to confirm it was genuine but no response was received. A call was made around five hours later but not answered.

Another payment of \$1 was attempted on 11 March 2024 and also picked up for fraud checks and declined.

On 18 March 2024 Mr C tried to make a payment of £250 to the cruise line but it was again picked up for checks by Halifax's fraud prevention system and ultimately declined. As a result of the attempted payments, a block was applied to Mr C's credit card. Mr C's told us he was able to use a credit card he has with another business to complete the payments.

Mr C complained via email to Halifax whilst he was away and asked it to remove the account restrictions. Halifax issued a final response on 20 March 2024 but didn't uphold Mr C's complaint. Halifax's final response only talked about the £250 payment it had declined. Halifax said the decision was made to protect Mr C's account and didn't uphold his complaint. Halifax's final response also talked about payments to a business called "Steamship and Cruise Lines".

On 25 March 2024 Mr C was able to call Halifax and the block was successfully removed from his credit card.

Mr C referred his complaint to this service and it was passed to an investigator. They weren't persuaded that Halifax had made mistakes or treated Mr C unfairly by declining his payments and blocking his credit card.

Mr C asked to appeal and said that whilst he accepted Halifax's credit card terms and conditions allowed it to block payments, it is still required to act with due care. Mr C also pointed out his other credit card had worked and payments were approved. Mr C queried Halifax's reference to "Steamships and Cruise Lines" in its final response. As Mr C asked to appeal, his complaint has been passed to me to make a decision.

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'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal

nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

In response to the investigator, Mr C said that Halifax had failed to correctly identify his cruise line and incorrectly blocked the payment on three occasions. I'd like to start by explaining that I can see Halifax referred to "Steamships and Cruise Lines" in relation to the £250 payment discussed in its 20 March 2024 final response. But I think that's a reference to the Merchant Category Code (MCC) used by the cruise line when attempting to claim the payment. MCC's are used by merchants taking card payments to show what sort of business they operate. And I can confirm Halifax has provided systems evidence that shows the payments Mr C attempted were from the cruise line operator he's told us about that I'll refer to as A.

I've looked at the three payments Mr C attempted. The first was for \$1 on 7 March 2024 at 03:28 UK time. Halifax has provided systems information that shows the payment was picked up by its fraud prevention systems for additional checks. I can see a text message was sent to Mr C at 03:29 but understand that because he was at sea it may not have been received. A call attempt by the fraud team at 08:39 was also made but not answered. I appreciate the payment was entirely genuine, but I'm satisfied Halifax legitimately identified it as something that needed further checks. And I'm satisfied Halifax attempted to contact Mr C to discuss the payment a short time later.

Another \$1 payment was attempted on 11 March 2024. As the previous payment had led to Mr C's credit card being blocked, it wasn't successful. As I've noted above, I don't doubt the payment was genuine. But I'm satisfied security blocks remained in place due to the previous payment Mr C attempted. So I'm satisfied Halifax has a legitimate reason not to approve the second \$1 payment Mr C attempted.

A third payment, this time for £250, was attempted by Mr C on 18 March 2024 and was again unsuccessful. But for largely the same reasons as I've given above, I'm satisfied the security block remained on Mr C's account at this time. As a result, I'm satisfied Halifax acted reasonably by declining further payments until it was able to speak with Mr C.

I understand Mr C was in a difficult position as he was at sea and unable to call Halifax. Mr C's told us he contacted Halifax online and by email to raise his complaint and asked for the blocks to be removed. But Halifax has explained it won't release security blocks from a credit card on receipt of emails. Halifax has confirmed it can only remove blocks after speaking with a customer – which is what it did on 25 March 2024 when Mr C called to discuss his credit card. I'm sorry to disappoint Mr C but I haven't been persuaded that Halifax treated him unfairly.

I've looked at Halifax's terms and conditions and am satisfied they allow it to decline a payment and apply account blocks if it has genuine concerns over fraud. I'm satisfied the information provided shows Mr C's payments were reasonably declined following concerns over the account security. I'm very sorry to disappoint Mr C but I haven't been persuaded that Halifax made a mistake or acted without due care by declining his payment attempts.

I'm very sorry to disappoint Mr C as I can see how strongly he feels in this matter. But as I haven't been persuaded that Halifax made errors when deciding whether to approve his payment requests and I'm satisfied it dealt with his complaint fairly I'm not telling it to do anything else.

My final decision

My decision is that I don't uphold Mr C's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 3 October 2024.

Marco Manente
Ombudsman