

The complaint

Mr S complains Clydesdale Bank Plc trading as Virgin Money (“Virgin Money”) have caused him difficulties in accessing online banking on his account with them.

What happened

Mr S came to us as he was unhappy with the Final Response Letter (“FRL”) he’d received from Virgin Money when he complained about being unable to use one time passcodes to access his online account. He thought the response – upholding his complaint - was generic and was unhappy with the £50 compensation Virgin Money paid, on two counts. Firstly, that it wasn’t sufficient redress for the inconvenience he’d suffered and secondly as it had been sent by cheque rather than paid direct into his account as an online.

Our investigator thought Virgin Money, in apologising and compensating Mr S, had acted reasonably and in line with what this service would have offered, if the bank hadn’t upheld it. So, she didn’t uphold the complaint.

Mr P didn’t agree with the view. He thought the investigator had rushed dealing with his complaint and that there were material inaccuracies in her view. He asked for his complaint to go to an ombudsman for a number of reasons. Firstly, as he’d never successfully accessed the app associated with banking on this account – Mr S said Virgin told him his access to the app was blocked for reasons relating to his phone, but these were incorrect. Secondly, he was unsure why the compensation had been paid by cheque on this occasion, as previous goodwill payments he’d received from Virgin Money were credited to direct to his account and that was more convenient. Finally, he repeated that he didn’t think the compensation paid was reasonable as Virgin Money didn’t allow him to access his mobile or internet banking. And the compensation didn’t include his consequential losses such as postage costs.

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 appreciate that Mr S feels our investigator hasn’t properly understood aspects of his complaint and considered it in haste. I’ve looked at everything afresh before reaching an independent view. But I’m not persuaded this is a complaint I can fairly and reasonably uphold.

There’s no dispute Mr S had difficulties with the one time access codes here. But Virgin Money apologised, explained why and how this came about and paid £50 compensation. I consider the action they’ve taken to be a reasonable response to the initial complaint, for a number of reasons.

I appreciate Mr S thinks the FRL was a generic response. To a certain extent, I think the banks explanation has to be, as it is explaining a problem across their systems that affected many accounts. But I don’t think that means the entire response is generic, or that it hasn’t

considered the details particular to Mr S's situation. It's clear from the FRL and the complaint notes they've sent us that, not only have they looked and addressed the system wide problems but, also, specifically Mr S's account. And, although I know Mr S will disagree, I don't think Virgin Money did anything wrong when they didn't include the complaint reference Mr S gave them in the FRL.

It isn't my role to punish businesses for making mistakes; it's my role to put consumers back into the position that they should've been in if the mistakes hadn't been made. I've carefully considered Mr S's comments about the impact of this matter on him. I can see this issue caused some inconvenience but there's no detail – in the initial complaint or his reply to the view - other than passcodes not being sent both to mobile and landlines on 13 March 2020. So, I'm not persuaded, in the overall circumstances, that I can fairly ask Virgin Money to pay anymore.

Even if I accept Mr S couldn't access to the banking app to pay in the compensation cheque *after* the FRL, I don't think it's reasonable that Virgin Money should bear the courier costs he incurred to pay it in. Firstly, they can't have anticipated he'd incur those costs. The Virgin Money website states cheques can be posted to their Registered Main Office – there's no requirement for a courier – to pay in. And I can't see that he attempted to contact them, by email or calling, to request payment direct to his account, despite him telling us he knew this was possible from previous goodwill payments. Overall, I think the redress they've already paid is reasonable and in line with what I would have suggested, had it not already been offered. So, I find the award of £50 is fair and reasonable.

Given that Mr S feels strongly about this, he may want to pursue the matter further through other routes. But my decision brings to an end what we – in trying to resolve his dispute with Virgin Money informally – can do for him. I'm sorry if this disappoints Mr S.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 December 2020.

Annabel O'Sullivan
Ombudsman