

The complaint

Mr A complains that Clydesdale Bank PLC trading as Virgin Money unfairly charged him for a transaction, asked him additional security checks and didn't fully respond or reply in time to his complaint. He would like the fee refunded with 8% interest and £500 as a gesture of goodwill for the distress and inconvenience.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here instead I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusions:

- I have looked at Virgin Money's terms and conditions which allow for a 5% charge for the transaction Mr A made as it was an international cash transfer. So, I don't think Virgin Money was wrong to apply this charge. On that basis, I can't reasonably ask Virgin Money to refund, with interest, the charge as Mr A would like.
- From what I understand Mr A says he wasn't notified of the change in terms and conditions allowing this charge. Virgin Money has evidenced, from its system notes, that it emailed Mr A about this change. I am not sure why Mr A didn't get the email, but I am persuaded it was sent.
- I appreciate Mr A has told us he made other payments to the same organisation for purchases that Virgin Money didn't charge him for. The charge was made as it was described as a cash and, as such, attracted the cash transfer fee. I think it's likely other transactions weren't described as 'cash' which may explain why they didn't attract this fee. But I don't think the issue is with Virgin Money, it seems more likely to be how transactions were described by the provider of the goods.
- I understand Mr A is also not happy at having to complete additional security checks when he contacted Virgin Money. He feels this breaches Information Commissioner's Office Guidelines (ICO). I appreciate the checks may have caused some distress, but I am not aware the Mr A made Virgin Money aware there were reasons as to why he would find such questions stressful. However, I can't say Virgin Money were wrong to ask additional security questions if they felt the need to do so. These checks are to protect both the consumer and the business. I don't believe that if, as Mr A says, checks were made during the call that this is an issue as long as no personal data was revealed prior to Mr A passing the security checks. Mr A can of course contact the ICO direct about this if he wishes to do so.
- In terms of customer service Virgin Money has apologised the delay in responding to Mr A's complaint, incorrectly sending out a letter saying his complaint has been

resolved and for the delay in getting a copy of the terms for his account. I understand it has paid Mr A £175 as compensation. I think that is appropriate for any distress and inconvenience caused by its actions. I don't feel I have any grounds to increase this compensation to £500 as Mr A would like.

- Finally, I understand Mr A feels Virgin Money breached Financial Conduct Authority (FCA) guidelines in not responding to his complaint within the guideline timescale of eight weeks. I understand he would like us to refer Virgin Money to the FCA for this. As our investigator has correctly advised it's not in our remit to do this. We do expect businesses to respond to complaints in a timely manner and if a decision can't be reached within the eight weeks to keep in touch with consumers to advise them of this. I think Virgin Money has appropriately apologised and reflected its delay in dealing with Mr A's complaint in paying him compensation as stated above.

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 20 February 2023.

Bridget Makins
Ombudsman