

The complaint

Mr M complains that Clydesdale Bank Plc trading as Virgin Money removed access to his online facility which meant he was unable to manage his credit card.

What happened

Mr M had a credit card with Virgin Money and it contacted him in March 2020 to advise the account had been identified as being in persistent debt. Virgin Money's correspondence asked Mr M to consider increasing the payments he was making towards the account and said it may suspend spending in the future. From March 2020 Mr M increased his monthly payment to £83. The payment continued to be collected by Virgin Money.

In October 2020 Mr M spoke with an agent at Virgin Money after his credit card stopped working. The agent advised new credit card spending had been withdrawn due to the persistent debt position of the account. The agent advised that Mr M would be unable to use his card again as new spending had been permanently suspended.

Mr M has told us he spoke with another agent at Virgin Money in December 2020 and was told to destroy his credit card. Virgin Money says it has no trace of this call or Mr M being told to destroy his credit card.

In December 2020 Virgin Money contacted Mr M to advise it was switching off its online facility and had replaced it with an app. The change came into effect at the end of January 2021. Mr M's account had previously been set to so he received statements online. When the online facility was removed, Mr M wasn't sent statements by Virgin Money.

Towards the end of 2021 Mr M contacted Virgin Money and explained he'd been unable to access his online facility to manage his account. Mr M raised a complaint. In February 2022 Mr M chased Virgin Money for a response and a case handler agreed to send him copies of his credit card statements in the post. The statements were received around two weeks later and Mr M went on to repay the outstanding balance in March 2022.

Mr M's explained he didn't have access to his credit card after it was destroyed. As a result, it wasn't possible for him to register for the app to manage his account.

An investigator at this service looked at Mr M's complaint. They asked Virgin Money to provide a call recording for the October 2020 conversation Mr M had with its agent. They also asked for a copy of its contact notes but were unable to see a record of a call in December 2020 between Mr M and Virgin Money and didn't find evidence to show he'd been asked to destroy the credit card.

The investigator ultimately asked Virgin Money to pay Mr M £100 for the inconvenience caused by the delay in issuing paper statements after he raised a complaint. Virgin Money accepted but Mr M disagreed and asked to appeal. Mr M reiterated that he'd been told to destroy his credit card by an agent at Virgin Money which meant he was then unable to access its new app. Mr M said that without access to his online facility, paper statements or

the app he'd been left unable to manage the credit card. As Mr M 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 ensure 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.

Mr M's told us the removal of the online facility meant he was unable to manage his account for an extended period. I've looked at Virgin Money's records and can see Mr M did use its online banking to access his account up to November 2020. But around a month after he last logged in, Virgin Money contacted him to advise it was introducing an app to monitor accounts. And the online banking facility was removed at the end of January 2021.

I understand Mr M feels it was unreasonable for Virgin Money to replace the online facility with an app. But businesses are free to decide how they operate, including how customers access account information. And Virgin Money's explained it took the decision to replace its online banking facility at the beginning of 2021. I appreciate there were difficulties because Mr M no longer had access to the credit card. But overall I'm satisfied the decision was one Virgin Money was entitled to take. I haven't been persuaded Virgin Money acted unfairly by introducing an app to manage accounts.

The online facility was switched off on 31 January 2021 and Virgin Money acknowledged Mr M's complaint in December 2021. Mr M's told us he was unable to manage his account during this time. Whilst I agree Mr M lost access to the online banking facility, I think it's reasonable to say he could've contacted Virgin Money about the issue and requested paper statements during this period. I acknowledge that would've involved waiting to speak with a Virgin Money, but if Mr M was concerned about his account and payments during this time he had that option. I note that when Mr M spoke with Virgin Money in October 2020 he mentioned a transaction had been declined around 10 minutes before he called. So whilst I don't doubt there were delays in answering calls at busy times, it does appear to me that Virgin Money could've been contacted over the phone.

Mr M's told us that in December 2020 he spoke with an agent and was told to destroy his credit card as the account was blocked for new spending. But Virgin Money's provided a copy of its contact notes and searched its systems for a copy of a call with Mr M at this time without success. Where the circumstances of a complaint are disputed by the parties involved I'll base my decision on the balance of probabilities. That is, what I consider most likely to have occurred based on all the available information.

Mr M's given a clear recollection of a call with Virgin Money in December 2021 and that he was asked to destroy the credit card. But the systems evidence on file doesn't show a call of that nature. Listening to the call Mr M had in October 2021, I can hear he was advised the account had been permanently suspended and no new spending would be possible from that point. And Virgin Money's advised it doesn't ask customers to destroy credit cards in the circumstances Mr M has raised.

Taking all the available information into account, I think it's most likely that Mr M was told his account was closed to new spending. But, on balance, I haven't been persuaded Mr M was specifically told to destroy the credit card itself.

Mr M raised concerns about the lack of account access with Virgin Money in December 2021 and it raised a complaint. Virgin Money wrote to Mr M on 31 January 2022 to confirm he had the right to refer the complaint to this service. The final response was never issued and Mr M's case was referred to us. I agree with Mr M that it took too long for Virgin Money to send him statements so he could review his account activity and decide how to proceed. The statements were issued in February 2022, but I agree they could've been sent sooner and that this caused some inconvenience for Mr M.

Virgin Money has agreed to pay Mr M £100 for the distress and inconvenience caused by the delay in issuing statements. I've read and considered everything Mr M has sent us and said when bringing his complaint. I understand he found the process of obtaining statements and the service provided to be poor. In my view the £100 settlement Virgin Money's agreed to pay fairly recognises the level of distress and inconvenience caused and is a reasonable way to resolve his complaint. I'm sorry to disappoint Mr M but I haven't been persuaded to increase the award further.

My final decision

My decision is that Clydesdale Bank Plc trading as Virgin Money should pay Mr M £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 22 February 2023.

Marco Manente
Ombudsman