

The complaint

Mr G is unhappy that Clydesdale Bank Plc, trading as Virgin Money, wouldn't allow him to make a withdrawal from his account.

What happened

Mr G instructed a withdrawal from his Virgin account as he wanted to take advantage of a better rate of interest offered by another provider. But Virgin felt that Mr G has already instructed the maximum number of withdrawals permitted on his account for that year, and so declined the requested withdrawal.

Mr G wasn't happy about this and felt Virgin's system had incorrectly considered the creation of a new account as being a withdrawal. And he also wasn't happy with the service he'd received from Virgin when trying to discuss this matter with them. So, he raised a complaint.

Virgin acknowledged they'd made an error which had led to them considering Mr G to have made a withdrawal when he hadn't done so. And they also accepted that Mr G had experienced longer hold times when trying to call Virgin than should have been the case.

Virgin apologised to Mr G and asked him to contact them to provide evidence of any loss of interest he may have incurred resultant from his withdrawal request being declined and discuss a branch visit they had no record of. And Virgin also offered to make a payment of £125 to Mr G as compensation for any upset or inconvenience may have incurred. Mr G wasn't satisfied with Virgin's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they felt the response that Virgin had issued to Mr G already represented a fair outcome to what had happened. Mr G remained dissatisfied, so the matter was escalated to an ombudsman for a final 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'd like to begin by confirming that this service isn't a regulatory body or a Court of Law and doesn't operate as such. This means that it isn't within my remit here to declare that Virgin have or haven't acted in a non-regulatory or unlawful way.

Instead, this service is an informal, impartial dispute resolution service. And while we do take relevant law and regulation into account when arriving at our decisions, our remit is focussed on determining whether we feel a fair or unfair outcome has occurred – from an impartial perspective, after taking all the circumstances and factors of a complaint into consideration.

Virgin have accepted they made an error here and that Mr G has a valid complaint. In such situations, it would generally be expected by this service that Virgin would take the action necessary to put Mr G into the financial position he should be in, had the mistake never occurred, and consider whether any financial compensation should be awarded to Mr G for

the upset and inconvenience he experienced because of what happened.

Having reviewed Virgin's response to Mr G's complaint, I think they've done that here. I say this because Virgin have offered to reimburse any loss of interest Mr G may have incurred through not being allowed to transfer his money when he first wanted to.

Virgin's offer here is dependent on Mr G demonstrating this loss of interest to them. This feels fair to me, and I wouldn't expect a business to reimburse a claimed loss of interest that hasn't been reasonably demonstrated to them. As such, I can only encourage Mr G to liaise with Virgin and provide the information needed so his claim for lost interest can be assessed.

Additionally, Virgin have offered to make a payment of £125 to Mr G as compensation for the trouble and upset he's incurred because of Virgin's declining of this withdrawal request and for the service he incurred surrounding this, including the long hold times he experienced. Matters of compensation can be subjective, but Virgin's offer of £125 feels fair to me here.

I say this in consideration of the trouble and upset Mr G has experienced, and the general framework this service uses when thinking about compensation amounts – details of which can be found on this service's website. And I can confirm that £125 is commensurate with what I might have instructed Virgin to pay, had they not already offered to do so.

Finally, I note that Virgin have asked Mr G to provide further information to them of the visit he made to one of their branches when trying to resolve this matter with them, but of which Virgin presently have no record of. And Virgin confirmed in their response to Mr G's complaint that they're open to considering a further award of compensation to Mr G regarding this visit, if appropriate. And again, this feels fair to me.

All of which means that, while I will be upholding this complaint in Mr G's favour, I'll only be doing so to compel Virgin to take the actions that they've already offered to take in their response to Mr G's complaint. This includes the payment of £125 compensation to Mr G, as well as potentially reimbursing a loss of interest to Mr G and potentially making a further compensation payment to him – dependent on information to be provided to Virgin by Mr G.

I realise this might not be the outcome Mr G was wanting, but I hope he'll understand, given what I've explained, why I've made the final decision that I have.

Putting things right

Virgin must write to Mr G inviting him to discuss his claimed loss of interest and his visit to branch with Virgin – providing appropriate channels for Mr G to contact them – with a view to then acting in accordance with their response to Mr G's complaint.

Virgin must also make a payment of £125 to Mr G.

My final decision

My final decision is that I uphold this complaint against Clydesdale Bank Plc, trading as Virgin Money, on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 25 August 2023.

Paul Cooper
Ombudsman