

The complaint

Ms L complains that she was not able to gain access to her ISA account with Clydesdale Bank Plc, trading as Virgin Money.

What happened

Ms L opened a 1 Year Fixed Rate ISA account with Virgin Money in July 2022. Between December 2022 and April 2023 Ms L attempted to access her account online but was not receiving the one-time passcode (“OTP”) on her mobile phone. So, she was not able to access her online banking. Because of this, Ms L says that she couldn’t move the funds in her ISA to a different account with a better rate of interest.

Ms L complained to Virgin Money about her issues receiving the OTP, the delays she experienced waiting to discuss her complaint and her frustrations with their online chat help system. Virgin Money says that Ms L entered an incorrect password for her online banking in December 2022, so it was not Virgin Money’s fault Ms L was unable to log in. But Virgin Money says it understands she was unable to receive the OTP following this so was unable to log on, and it also acknowledges the delays Ms L experienced in bringing her complaint to it.

Virgin Money upheld her complaint and offered her £100 as compensation. Ms L was not happy with this response. She says Virgin Money should also pay her the interest lost as a result of her not being able to move her money to a higher interest paying account. So, she brought the complaint to us. Our investigator considered Ms L’s complaint but didn’t feel that anything further was due.

Ms L was not happy with our investigator’s response to her complaint, so it has been passed to me 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.

Virgin Money has provided evidence to show Ms L entered an incorrect password for her online account in December 2022. So, in line with Virgin Money’s process in these circumstances, she required an OTP to regain access online. I think this was reasonable in the circumstances as it’s in line with Virgin Money’s usual process here. Steps like these are common in the industry to help protect the security of customers’ accounts.

Ms L requested this several times between December 2022 and February 2023. Ms L says the OTP was not received on her phone until a later attempt in April 2023 – and she says that she had the same phone on the same network, so this must be due to a problem with Virgin Money’s systems. Ms L also says when she called to complain about this, she experienced long call wait times and had frustrations with the online chat help system. Virgin Money upheld her complaint and offered her £100 in compensation. I think what Virgin Money have offered in the circumstances are fair. I say this because some time and effort

are expected when bringing a complaint. And the issue about receiving an OTP is now resolved - as Ms L confirms she has been able to receive the OTP and log into her account when she tried this in April 2023. So, I think £100 is a fair amount of compensation for the loss of internet access between December and April 2023 and the delays experienced in making a complaint.

Ms L says that if she had access to her account, she would've moved the money to a higher paying interest account. However, I've read the Key Facts documents for her ISA account, and I can see that to move her money to another ISA account or another savings account with another provider, Ms L would've needed to contact her new provider to arrange this. Then, once Virgin Money had received this instruction, the transfer would be actioned. But I don't think being unable to log on to her Virgin Money account online prevented her from arranging a transfer with her potential new account provider.

Ms L also had the option to manage her money via telephone banking. Ms L says she couldn't remember her account number or sort code and she didn't like using telephone banking as she prefers to see things herself online. I understand not being able to manage her account in her preferred method would've been frustrating for her, but Ms L did have alternative methods to complete a transfer if this was important to her.

So, I don't think Ms L has lost out on any interest she could've earned by moving her money to another account as I don't think she was prevented from doing this.

My final decision

Virgin Money has already made an offer to pay Ms L £100 to settle the complaint and I think this offer is fair in all the circumstances.

So, my decision is that Clydesdale Bank Plc, trading as Virgin Money, should pay Ms L £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms L to accept or reject my decision before 23 November 2023.

Sienna Mahboobani
Ombudsman