

The complaint

Mr L complains Clydesdale Bank Plc trading as Virgin Money made an error which meant his replacement debit card wasn't sent to him when it should have been.

What happened

On 17 December 2023 Mr L called Virgin Money as he'd lost his debit card. They cancelled his existing card and arranged a replacement, letting him know he should receive this within three to five working days.

As he didn't receive the card Mr L called Virgin Money again on 29 December 2023 to arrange a replacement – this was received on 3 January 2024.

Unhappy with the delay Mr L complained to Virgin Money saying the delay had meant he'd been without a debit card over the Christmas period.

Virgin Money issued their final response, explaining while the card had been ordered, a system error meant it hadn't been produced or sent out. To apologise for the inconvenience caused, Virgin Money offered £100 compensation.

Mr L didn't think this resolved matters and complained to our service. He said he'd had to borrow £1,500 from friends and family over Christmas which had caused embarrassment. To resolve matters Mr L thought Virgin Money should give him back the money he'd needed to borrow, £1,500, plus compensation.

An Investigator here reviewed matters but considered the amount of compensation Virgin Money had offered was fair. He said Mr L had access to telephone, internet and mobile banking and could also have visited a branch to withdraw cash.

Mr L didn't agree, saying he wasn't able to use other methods of banking and could only use his card to withdraw cash. He also said this had impacted his mental health. Our Investigator considered this but concluded Virgin Money wouldn't have been aware Mr L had difficulties using other forms of banking. He also said overall Mr L could have contacted Virgin Money sooner.

With no resolution the complaint has been passed to me to decide.

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.

In considering what is fair and reasonable, I've taken into account the relevant industry rules and guidance, and what would be considered as good industry practice.

Virgin Money has accepted they made an error when initially producing Mr L's debit card, which meant it wasn't sent out when it should have been. As this service is not the regulator, I can't fine or punish Virgin Money for the mistake they made, but I can consider the impact the error caused Mr L. As such, what's left for me to decide is whether the compensation of £100 Virgin Money has offered to resolve matters is fair.

Virgin Money has shown Mr L had access to telephone, mobile and internet banking, so this option was available to him. While Mr L says he couldn't use these methods, I've not seen anything to say Virgin Money should have been aware of this. I can see our Investigator said: *"the Bank are unaware of any vulnerabilities that render Mr L only able to use a card to carry out his daily banking"*. Mr L hasn't disputed this, so I've assumed Mr L accepts that point is correct. As Virgin Money hadn't been made aware of any particular requirements Mr L had it wouldn't have been reasonable to expect them to follow a different process in this case.

I understand Mr L says Virgin Money should have known he couldn't use other methods by looking at his statements, but I don't agree. While it may be that most transactions are carried out using his debit card, it doesn't mean Mr L isn't able to use other methods. Virgin Money has also provided evidence Mr L has previously used mobile banking. Mr L says a friend helped him do this, so I'm satisfied while it may have been difficult for Mr L to use mobile banking, he could have asked for support from friends on this occasion too.

Mr L could also have visited a branch to withdraw cash, but he didn't do that. Taking everything into account, I'm satisfied there were sufficient options available to Mr L that would have allowed him access to his money while he awaited his replacement debit card.

Turning now to the impact on Mr L as a result of Virgin Money's error. I've firstly considered whether Mr L incurred any financial loss as a result but based on what I've seen I don't think he has. I say this because, while Mr L says he had to borrow money from friends and family to get by, I don't think this amounts to a financial loss. The money he borrowed from friends and family isn't a loss – as it's money he had the benefit of, and I can't see that he's incurred any extra costs in borrowing the money in this way. While I can appreciate it would have been embarrassing for Mr L to ask friends and family to borrow money, especially during the Christmas period, that doesn't mean Virgin Money should pay this amount to Mr L.

Mr L has however been inconvenienced by Virgin Money's error, so I've considered this. He was without a debit card for just over two weeks, when it should have arrived within three to five working days. But it's important to note Mr L didn't tell Virgin Money there was a problem until 29 December. From this point, the replacement card arrived within just a few days. As noted above, it would've been stressful for Mr L when his card didn't arrive as expected – and to have to find alternative arrangements. I can also appreciate that it isn't always easy to approach friends or family with a request for financial help. Taking this, along with everything I've said above, into account, I think the £100 already offered by Virgin Money fairly resolves matters. So I won't be asking them to do anything more on this occasion.

My final decision

For the reasons I've explained above I don't uphold Mr L's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 17 June 2024.

Victoria Cheyne
Ombudsman