

The complaint

Mr N is unhappy with several aspects of the service that he's received from Clydesdale Bank Plc, trading as Virgin Money.

What happened

Mr N has a credit account with Virgin and complained to Virgin about his not receiving paper account statements to his address. Mr N has explained that because he wasn't receiving monthly statements to his address, he wasn't able to check the transactions on his account. And Mr N has further explained that in the absence of being able to verify the movements on his account, he wasn't comfortable making at least the minimum monthly payments to the account as per his contractual obligations.

Virgin explained to Mr N that a 'returned mail' marker was present on his account, and this meant that statements weren't being sent until the marker could be removed. Virgin also explained that they needed to speak with Mr N over the phone to verify information with him before that marker could be removed, and they gave a freephone number to Mr N to call them accordingly.

Additionally, Virgin explained that there were several ways for Mr N to check the movements on his account, including by telephone, and confirmed that they didn't agree with Mr N that the non-receipt of paper statements meant that he wasn't bound by the contractual repayment terms of the credit account. However, Virgin did agree to reimburse charges and interest totalling £182.44 to Mr N as a gesture of goodwill.

Finally, Virgin accepted that Mr N hadn't received an appropriate standard of service from them when bringing his dissatisfaction to Virgin's attention. And Virgin apologised to Mr N for this and made a payment of £175 to him as compensation for any trouble or upset he may have incurred as a result. Mr N wasn't satisfied with Virgin's response and didn't feel that there was any fair requirement for him to have called Virgin as they asked him to do. So, he referred his complaint to this service.

One of our investigators looked at this complaint. But they felt that Virgin's position was reasonable and that the reimbursements of interest and charges, as well as the apology and payment of compensation, already represented a fair resolution to what had happened. Mr N 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.

Mr N has said that in the absence of paper statements he has been unable to verify the movements on his credit account, and that because he is unable to do so, it would have been unwise for him to have made any form of payment to the account. And it's my understanding that Mr N cancelled the direct debit that was set up to make the minimum monthly payments on his account, even though he was aware that there was a balance on

the account toward which minimum monthly payments would need to be made.

Mr N has said that paper statements are essential for him to have checked the movements on his account. But I don't agree. Rather, while I can appreciate that Mr N would have liked to have been able to verify his account movements via paper statement before making a monthly payment, there were several other ways for Mr N to have reviewed his account when paper statements weren't being received, including by telephone.

It was, of course, Mr N's choice as to whether he availed of those other options or not. But ultimately, I don't consider Mr N's contractual repayment obligations regarding the credit account to have been diminished or excused in any way because he wasn't receiving monthly statements to his address.

Rather, I consider Mr N's responsibilities in this regard to have remained present and intact throughout the events under consideration here. And if Mr N wasn't able to verify the minimum monthly payments he was being asked to make, because he wasn't willing or able to verify the movements on the account via the other channels available to him to do so, then I feel it would have been reasonable for Mr N to have made the minimum monthly payments required on the account and to have later verified the legitimacy of those payments once the paper statements he was missing had been provided to him.

Accordingly, if Mr N hasn't met the contractual repayment obligations on his account and has incurred charges, adverse credit file reporting, and potential recovery action from Virgin as a result, then I feel that this would be fair.

I also note that it was explained to Mr N by Virgin that paper statements weren't being sent to him because of a 'returned mail' marker that was present on his account, and that Virgin further explained that they would need to speak with Mr N to remove that marker and that they provided a freephone telephone number to Mr N so that he could call them.

Mr N has said that he didn't want to speak with Virgin and sent confirmation of his address to them via email. But I don't feel that it was unreasonable for Virgin to have wanted to speak with Mr N before removing the marker. And I feel that it was for Mr N to have complied with Virgin's requirements in this regard, rather than attempting to compel Virgin to comply to his.

In short, I feel that Mr N could and reasonably should have mitigated against the ongoing absence of paper statements by simply calling Virgin on the freephone telephone number he'd been given as he'd been asked to. And because of this, I don't feel that Virgin should fairly be considered accountable for the fact that Mr N continued to not receive statements past the time that Virgin explained to Mr N that he they needed him to call them.

It's now understood that the 'returned mail' marker had been placed on Mr N's profile in error. But I don't feel that this invalidates Virgin's need to speak with Mr N at the time when the marker was believed to be genuine. And I continue to feel that Mr N could have acted to resolve the matter at hand here much sooner by simply making a phone call.

Finally, I note that in their response to Mr N's complaint, Virgin apologised for some of the service he'd received from them, including that Virgin hadn't responded to all the emails that Mr N had sent, and that that they paid £175 compensation to Mr N because of this. And I also note that while Virgin confirmed that they considered that all charges and interest had been applied to Mr N's account correctly, they did reimburse two over limit charges and some charged interest, totalling £182.44, as a gesture of goodwill. Virgin's actions feel fair to me, and I don't feel that anything further is reasonably required by Virgin in these regards.

All of which means that I won't be upholding this complaint or instructing Virgin to take any

further or alternative action here. To confirm, this is because I don't feel that Virgin should be held accountable for Mr N not calling them as he was reasonably required to do. And I also don't accept the non-receipt of paper statements diminished Mr N's contractual repayment obligations as per the terms of the credit account. Finally, I'm satisfied that the compensation and reimbursements paid to Mr N are fair outcomes to those aspects of his complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 22 July 2024.

Paul Cooper
Ombudsman