

The complaint

Mr M complains that Clydesdale Bank Plc T/A Virgin Money (VM) sent correspondence to him which he was unable to respond to and it failed to authorise payments he made from his account. He is unhappy he experienced problems in accessing his account via online banking and with the response he received to his complaint.

What happened

In April 2022, Mr M said he received a letter from VM. This letter was dated 1 March 2022 and stated that if he didn't respond within 28 days VM would close his account.

Mr M stated he missed a call from VM on 11 April 2022. No voicemail was left and Mr M attempted to call VM back using the number that had called him, but the call wouldn't connect. And when he telephoned VM using the phone number endorsed on the letter of 1 March 2022 the call handler he spoke with was unable to assist him. They couldn't locate the letter on VM's computer system and there were no notes recorded on Mr M's account. In addition to these difficulties, VM said Mr M wasn't able to confirm what the letter related to.

Mr M said, in addition to these difficulties, he experienced problems when using online banking services. He said he authorised payments from his account using online banking on 26 April 2022. But the payments weren't authorised notwithstanding that he had sufficient funds in his account.

He also stated that, on 1 June 2022, he was unable to log onto his online banking for a protracted period due to an issue with the app. He states he experienced the same issue on 1 July 2022 and had a number of payment requests fail.

Mr M stated that the balance showing on his online account on 22 October 2022 was incorrect and said a payment request he made a week later, on 29 October 2022, was declined.

Mr M also said that he received correspondence from VM in late 2022 and 2023, which were addressed to him using only his initial instead of his full name. And this resulted in an unauthorised party opening letters from VM due to another member of the household sharing the same initial.

Mr M said he contacted VM on 4 February 2024 to raise a complaint about the difficulties he'd experienced. He also spoke with VM about his complaint on 29 February 2024. And on the same date, it wrote to Mr M with its final response.

Mr M was unhappy with the outcome VM had provided to his complaint and provided further information in response on 6 March 2023. However, he said he didn't receive an acknowledgement and, when VM responded, there was a delay in it discussing his complaint and providing its updated final response letter.

VM issued its updated final response to the complaint points Mr M had raised on 3 May 2024. Its position didn't change from the previous final response letter. It upheld Mr M's

complaint about the service he received when contacting it to discuss the letter dated 1 March 2022 and apologised for any distress and inconvenience he'd experienced. VM also upheld Mr M's concerns about correspondence being incorrectly addressed to him and apologised for what had happened. It upheld Mr M's complaint about the way it had responded to his complaint and apologised. However, it didn't uphold the other complaint points Mr M had made.

Mr M was dissatisfied with how VM had dealt with his second complaint. So, he referred his complaint to our service for an independent review. He didn't think VM had thoroughly investigated what had happened and he didn't think an apology sufficiently reflected the trouble and upset he'd experienced.

Our investigator looked into what happened and empathised with Mr M. But they didn't recommend upholding Mr M's complaint. They were persuaded that VM had appropriately investigated the concerns Mr M had raised based on the information that was available given the passage of time. And they thought it had reached a fair and reasonable outcome in its final response letter. Overall, our investigator was persuaded that the apology VM had offered to Mr M sufficiently recognised the trouble and upset he'd been caused. They didn't think it needed to take any further action to resolve the complaint. But Mr M disagreed with our investigator's view and asked for his complaint to be referred 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.

I'd like to thank Mr M for his detailed submissions about this complaint. I want to assure him that I've read and considered everything that both he and VM have sent when reaching my decision. I haven't referred to all the points Mr M has raised as I've focused on what I feel are the key issues of the case. I hope Mr M won't take that as a discourtesy, my approach reflects the informal nature of our service.

Where the information and evidence is incomplete and inconclusive, as it is here, I have to reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

I'm sorry to hear about the difficulties Mr M experienced here. I'm sure he's suffered upset and inconvenience as a result of what happened and for that I'm sorry. But my role is to assess whether I think VM made a mistake, or treated Mr M unfairly, such that it needs to now put things right.

There are seven parts to Mr M's complaint and I think it will make things clearer if I deal with them separately.

Correspondence from VM dated 1 March 2022

I've seen the correspondence VM sent to him dated 1 March 2022. The letter asks Mr M to contact VM to discuss his account, but it doesn't explain why. The letter ends by explaining that if Mr M doesn't respond within 28 days VM will close his account.

I can understand that receiving such correspondence would cause concern and upset. Mr M told our service he received his letter after the 28-day deadline had expired. It's unclear why. But I can appreciate the worry he would have been caused in receiving this letter late; he may have thought that, in missing the deadline, he was at risk of account closure.

I recognise that being unable to reach VM when he attempted to return its call on 11 April 2022 was frustrating. But it isn't unusual for businesses to contact their customers from numbers that don't accept incoming calls. I understand that VM didn't leave a voicemail on Mr M's phone with a contact number for him to use to return its call. While this would have been useful, in that it would have mitigated the inconvenience Mr M was caused here, I can see that he was able to speak with VM using the phone number endorsed on the letter he received.

I've thought carefully about the service Mr M received from customer services during the telephone call he made. VM stated its call handler couldn't locate the correspondence Mr M had been sent on 1 March 2022. As this was a letter VM had sent Mr M I think it ought to have been able to retrieve the letter from its records. And it ought to have been able to discuss Mr M's concerns about its intention to close his account during the call it received from him. I'm persuaded that this was a shortfall in service, which would have caused Mr M distress and inconvenience.

VM can't locate any calls Mr M made to it due to the passage of time. Mr M said he had to contact VM on multiple occasions after receiving its correspondence dated 1 March 2022 to discuss his concerns about his account. But, because his mobile telephone company is unable to supply bills showing the calls made, he hasn't been able to provide evidence showing the quantity of phone calls made or the length of time on the telephone he incurred. This means it's not possible to assess whether he incurred a financial expense in contacting VM or the extent to which he was caused distress and inconvenience. I'm pleased that VM apologised for the shortfall in service Mr M experienced here.

Payments on 26 April 2022 and 29 October 2022 not being authorised

Mr M states that payments to two separate companies were declined by VM on 26 April 2022. They were successfully made from his account in the two days afterwards. He also states that a payment on 29 October 2022 was declined. He asserts that these declined payments were caused by an error on the part of VM because there were sufficient funds in his account.

I've seen a screenshot Mr M provided to VM and our service, which show that a payment failed due to a verification failure. It might help if I explain to Mr M that a verification failure indicates a likely error in inputting a verification code. This is part of two-factor authentication that adds a layer of security to an account. The error could either be due to Mr M not inputting the verification code correctly or VM providing an incorrect code.

The screenshot I've seen is undated. So, it isn't possible to tie this payment failure to either of the above dates when Mr M said that his payments weren't authorised. This affects the weight I can place on the screenshot in assessing this part of Mr M's complaint.

For me to hold VM responsible for Mr M's payment requests failing, I'd have to see evidence that satisfies me that it caused the payments to decline. And here, VM has stated that due to the passage of time between this occurring and the incident being reported by Mr M, it can't interrogate its digital service. So, it can't say whether payments in April and October 2022 were declined and, if they were, the reasons for the decline.

I understand that Mr M has told our investigator it shouldn't matter when he raised his complaint. But VM has informed our service that information about declined transactions is only available for 30 days, which isn't unusual. In view of this, it's not unreasonable that VM isn't able to examine a declined transaction which dates back over two years.

As I can't be satisfied the payments declined because of an error VM caused, I can't fairly hold it responsible for what happened. So, I can't say it did anything wrong here in rejecting this part of Mr M's complaint.

Correspondence being incorrectly addressed to Mr M

VM upheld this part of Mr M's complaint; it accepts it didn't address correspondence to him properly when his full name wasn't used. It also explained that there was an alert on Mr M's account stating that all correspondence should be addressed to him in his full name. It isn't clear why correspondence wasn't properly addressed to Mr M given the account alert.

I've seen evidence that shows there were four letters that weren't properly addressed to Mr M. Based on the available evidence, it appears that these letters related to complaints he'd made to VM. I'm satisfied that all other correspondence sent to Mr M by VM was correctly addressed using his full name. So, letters containing financial information appear to have been properly addressed to Mr M.

Mr M has stated that incorrectly addressed mail was opened by an unauthorised party due to there being another member of the household that shared the same initial. I'm satisfied this impacted on Mr M because confidential information about complaints that he'd made became known to another without his authority.

While this shouldn't have happened, I think it's important to recognise that VM's error was accidental. I'm satisfied it accepted responsibility once it was made aware of its error by Mr M. I think VM took prompt action to correct its error once it was aware of what had happened. I say this because it apologised for what had happened and logged it as a data protection breach, which was reasonable action for it to take.

I appreciate it must be frustrating for correspondence to have been incorrectly addressed. But I haven't seen any evidence that Mr M suffered a loss as a result of what happened. I'm pleased that VM has apologised. But I haven't seen enough to persuade me that compensation is warranted here.

Issues with banking app connectivity on 1 June 2022 and 1 July 2022

Mr M has complained that he was unable to log onto his account online on the above dates using the app. I've seen a screenshot he provided, which he says substantiates this. But the screenshot is dated 2 June 2022. So, I can't be sure it relates to the issues that Mr M has complained about, which he says took place on 1 June 2022.

The screenshot shows a message which instructs Mr M to "try again" but this doesn't prove that an error by VM prevented Mr M logging into his account via the app on either of the dates he's complained about. And again, due to the passage of time between this occurring and the incident being reported by Mr M, VM says it isn't able to interrogate its digital service, which isn't unreasonable for reasons already outlined. So, it hasn't been able to investigate this issue further.

As I can't be satisfied the issues with banking app connectivity were caused by an error VM caused, I can't fairly hold it responsible for what happened. It follows that I can't say it did anything wrong here in rejecting this part of Mr M's complaint.

The online balance being shown incorrectly on 22 October 2022

Mr M said that when he checked his account balance online on 22 October 2022 it wasn't showing correctly. Again, due to the passage of time, VM isn't able to interrogate its digital

service. So, it hasn't been able to investigate this issue further. And I understand that Mr M hasn't provided any evidence, such as a screenshot, evidencing what he said here.

I'm sorry to disappoint Mr M but in the absence of evidence, I can't fairly say that this issue he complained about was caused by a banking error on the part of VM. It follows that I'm not persuaded VM acted unreasonably in not upholding this complaint issue.

The lack of acknowledgement to Mr M's second complaint

As I set out in the background to this complaint, Mr M contacted VM on 4 February 2024 to record his complaint about the difficulties he'd experienced. He subsequently spoke with VM about his complaint on 29 February 2024 and VM provided its final response that day.

As Mr M wasn't happy with the outcome VM had provided, he asked it to reinvestigate his complaint on 6 March 2024. He's unhappy that he didn't receive any acknowledgement to this and feels VM should have responded confirming it would reassess his complaint after looking at the information he'd provided in relation to the initial final response letter.

VM has acknowledged it could have provided a better service here. It said it would ordinarily acknowledge a complaint once raised and it put its lack of response here down to an error in how the complaint was recorded. This is likely due to Mr M's request that VM reopen and reassess his initial complaint.

Mr M stated he contacted VM on 19 March 2024 and was promised a call back by the telephone agent. This call took place on six days later when Mr M was informed his complaint was under investigation. I can appreciate that Mr M may feel frustration that VM didn't acknowledge his complaint sooner. However, I am pleased that VM apologised for the delay he experienced. I haven't seen any evidence that the delay impacted on Mr M financially.

The time it took to respond to Mr M's second complaint.

Mr M made VM aware that he wanted his complaint reinvestigated on 6 March 2024. However, VM didn't issue its final response letter until 3 May 2024. A business has up to eight weeks to provide its final response to a complaint and I can see that VM was two days outside that period.

I can appreciate that Mr M may have wanted a quicker response to his concerns. However, while VM already had some knowledge of Mr M's concerns as a result of the initial complaint he made, he'd provided additional information and screenshots, which needed to be considered before a further complain response could be provided.

I'm satisfied that there were a significant number of issues VM had to investigate in order to provide a thorough response to the second complaint Mr M made. The passage of time meant that information pertinent to several of the complaint matters were no longer available and I'm satisfied that this complicated the complaint and impacted on timescales.

Overall, I'm satisfied that once VM had received Mr M's response to its final response letter of 29 February 2024, it acted proactively in investigating what had happened and providing its explanation. I can see that VM apologised that it wasn't able to issue its updated final response letter sooner.

I understand that Mr M feels VM should compensate him for the trouble and upset he was caused overall. We're all inconvenienced at times in our day-to-day lives – and a certain level of frustration and minor annoyance is unwelcome, but to be expected. It's the impact of

the errors made over and above that which we consider to determine if an award of compensation is merited, and if so, how much.

Mr M requested a distress and inconvenience payment, as this has been a long and arduous process. I understand his complaint has been on-going for some time, but complaints are by their nature time consuming, and it doesn't always follow that a complaint being found in a consumer's favour means additional compensation is due. I've considered the timeline of events and VM's handling of the case, and I haven't seen anything in the circumstances of the complaint that warrants a separate distress and inconvenience payment.

To put things right, I'd have asked VM to apologise for what happened here. It's already done this and, while Mr M may disagree with me, I'm satisfied that this fairly recognises the impact his complaint would have had on him.

I appreciate that Mr M feels very strongly about the issues raised in this complaint and I've carefully considered everything he's said. But I think VM has done all it can to resolve this dispute. So, I'm not going to ask it to do anymore here. This now brings to an end what we, in trying to resolve Mr M's dispute with VM, can do for him.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 25 September 2024.

Julie Mitchell
Ombudsman