

## **The complaint**

Mr D complains that Clydesdale Bank Plc trading as Virgin Money failed to give an explanation in timely manner to a query he had regarding a transaction on his stocks and shares ISA.

## **What happened**

Mr D has a stocks and shares ISA with Virgin Money. Mr D called Virgin Money on 5 February 2024 as he wanted to query a transaction on his account which showed £6.24 transferred from his stocks and shares ISA to his current account. Mr D said he couldn't locate this amount in his current account. I understand Virgin Money agreed to raise a query to trace the payment at this point.

Mr D complained to Virgin Money on 29 March 2024 as he was unhappy that it had taken almost two months for it to provide an explanation. Mr D continued to chase Virgin Money for a response and it finally was able to provide him with an answer on 28 April 2024, in which it explained that the payment showing on his account was in relation to his Virgin Climate Change Fund. It explained that this is an accumulation fund, meaning any growth is automatically reinvested and so the transaction was error and shouldn't have appeared on his account.

Virgin Money looked into Mr D's complaint and apologised that he didn't receive the £6.24 distribution payment as expected. It explained that there was an error in its communication confirming the payment would be issued. So to put things right for Mr D, Virgin Money credited his bank account with £6.24 along with a further £25.

Mr D remained unhappy with the level of compensation and so he referred his complaint to this service for an independent review.

One of our investigators considered Mr D's complaint but didn't think Virgin Money needed to do anything further. They said Mr D hadn't suffered a financial loss and so they considered what impact Virgin Money's error had on him. They acknowledged Mr D had to spend time checking historical payments to ensure all was in order, but they felt Virgin Money's offer fairly recognised the inconvenience of doing so.

Mr D remained unhappy and so the complaint was passed to me to decide.

I issued a provisional decision on the matter on 7 March 2025 and I include a copy below.

## ***What I've provisionally 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.*

*It's not disputed that Virgin Money caused the error that Mr D complains about. As such, my decision will focus solely on assessing the impact this error had on Mr D and whether Virgin Money's offer fairly compensates him for this.*

*Virgin Money has explained that the transaction was in relation to an accumulation fund, in which the growth is automatically reinvested. As such, I don't think Mr D has lost out financially by not receiving £6.24 into his current account, as he was never entitled to have this amount paid directly to his current account at that time. Regardless, I understand Virgin Money has decided to pay this amount anyway into Mr D's current account. So as there is no financial loss, I will go onto consider whether Mr D has been caused distress and inconvenience.*

*I understand Mr D feels strongly that Virgin Money has caused him distress and inconvenience that warrants further compensation than the £25 (and £6.25) offered. He says the error meant he had to spend considerable time reviewing years of historic transactions to satisfy himself that all amounts due as income were transferred to his current account. He also says he had to chase Virgin Money over a three-month period to get an answer.*

*I appreciate the amount of money in question here is low and that it turned out to only be a one-off error, but I've also considered that Mr D felt quite distressed having the uncertainty as to whether other issues similar to this had occurred on his account. I've also considered that it wasn't until he spent considerable time checking all his payments from Virgin Money that he could fully understand whether the error was limited to this one transaction. I can understand why Mr D had reason for concern and I think if Virgin Money had provided an explanation in a timely manner, this may have not been necessary. However, I note that it took considerably longer than I would have expected Virgin Money to provide Mr D with an explanation as to why the transaction was showing on his account. In total this was almost three months, for what turned out to be a relatively small administrative error, and Mr D was left not knowing why the error had occurred throughout this time. I've also considered the inconvenience of Mr D having to chase Virgin Money each month.*

### **Putting things right**

*Taking into account all of the above, I'm currently minded to say Virgin Money should pay Mr D a total of £100 for the distress and inconvenience caused to him. Virgin Money can offset the £6.24 and £25 already offered if this has already been paid to Mr D.*

### **Responses to my provisional decision**

Virgin Money accepted my provisional findings, but Mr D didn't. In summary, he said:

- The £6.24 should not be deducted from any additional compensation payment, as this amount should have been paid as an income distribution to his linked personal bank account and was not in error.
- The whole saga caused major inconvenience and frustration.

As Mr D remained unhappy, the complaint has been passed back 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.

I appreciate Mr D feels that £6.25 shouldn't be deducted from the compensation amount as he was always entitled to this. However, I'm afraid I don't agree. As I explained in my provisional findings, Virgin Money has confirmed that the transaction was in relation to an accumulation fund, in which the growth is automatically reinvested and so I'm satisfied he wasn't entitled to this amount.

Mr D hasn't provided any new information regarding the level of impact Virgin Money's error had on him, beyond that he feels it caused major inconvenience and frustration. As such, my findings remain unchanged on the amount of distress and inconvenience the error caused and the level of compensation that is fair and reasonable.

### **Putting things right**

Virgin Money should pay Mr D a total of £100 for the distress and inconvenience caused to him. Virgin Money can offset the £6.24 and £25 already offered if this has already been paid to Mr D, as this was paid in recognition of the distress and inconvenience caused rather than an award for financial loss.

### **My final decision**

My final decision is that I uphold this complaint and direct Clydesdale Bank Plc trading as Virgin Money to pay Mr D compensation for the distress and inconvenience caused, as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 16 April 2025.

Ben Waite  
**Ombudsman**