

## **The complaint**

R is a limited company that complains about Clydesdale Bank Plc trading as Virgin Money (VM) in that they were unable to access their online and mobile banking, missed out on credit interest, and suffered communication issues.

## **What happened**

What happened in this complaint is well-known to both parties so I'll aim to summarise the key points.

After applying to open a business account with VM in 2024, the account was successfully opened. R had issues with online access to the account so contacted VM on two occasions and accordingly, VM dealt with the issues within those telephone calls.

R also had an issue with a payment limit when they tried to send money, and were unhappy that credit interest had not been applied to the account. As a result, R complained to VM.

VM responded to the complaint with their final response letter in which they upheld certain aspects. These were the payment limit issue, an email problem in which VM did not make clear that an inbox was unmanned, and an issue around information about setting up internet banking. What VM did not uphold was the interest rate aspect, and R's concern about not being able to access the account via mobile and internet banking for months. For any distress and inconvenience VM caused, they credited £55.

R was unhappy with VM's investigation, response and compensation award, and contacted VM again but they replied to say their position had not changed. Accordingly, R brought their complaint to our service so our investigator looked into it.

Our investigator issued their view in which they didn't think VM needed to take any action. Our investigator said that in terms of the service provided, when R contacted VM, VM took action and fixed the issue. In terms of the interest issue, our investigator could not find any evidence to suggest R had asked for a rate to be applied, in line with VM's process. And regarding the complaint, our investigator could see that VM had addressed all the complaint points raised by R.

R disagreed with our investigator's view saying the account should have paid interest and it was VM's responsibility to arrange this. And it was VM's poor communication that was a factor in this.

As R remained unhappy, the complaint has been passed to me as an Ombudsman to review.

## **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 have looked at the information VM has supplied to see if it has acted within its terms and conditions and to see if it has treated R fairly. Although I may not mention every point R has made, I'd like to reassure it I've considered them throughout my investigation. I do want to acknowledge the information R sent to this service for which I'm grateful, but I have focused my decision on key points.

Firstly, I'm pleased to see that within VM's final response letter, they took ownership and acknowledged their failings, and attempted to fairly compensate. I would hope VM will take the relevant learning points from this as feedback.

I want to address what I believe to now be the major issue which seems to be R's concern that it missed out on credit interest on a significant sum they held with VM. Looking over the evidence that VM provided, it does seem clear that the arrangement of an interest rate on this type of business account had to be done on request, so effectively R had to ask for this. And as VM have attested, they did not receive such a request.

R has said that the type of account opened by definition, would pay a rate of interest, but this service looks at evidence, terms and conditions, and processes and there's nothing to support this.

Additionally, R has said that the interest aspect was 'promoted' by VM initially, but I can't see this is the case within the documents I have considered, plus a cursory look over the section of VM's website which talks about this account type does not support R's point here.

Turning to compensation, VM have credited £55 for any distress and inconvenience they caused as a result of their errors. Looking over what VM could have done better, my view is that the impact was small so on balance, I don't think VM needs to review the £55.

I note R has expressed unhappiness to us about how VM dealt with the complaint it raised but complaint handling itself is not classed as a regulated activity by our regulator so I'm unable to address this aspect.

To conclude, it's always regrettable when a business feels it necessary to raise matters as a complaint to a bank with whom they had recently opened an account. I'm glad in this case that appropriate access to the account was resolved, but regarding the other aspects including the interest rate dispute, it would not be fair to ask VM to do anymore in view of what I've considered.

## **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld

Under the rules of the Financial Ombudsman Service, I'm required to ask R to accept or reject my decision before 15 October 2025.

Chris Blamires  
**Ombudsman**