

The complaint

Mr H complains that Clydesdale Bank Plc trading as Virgin Money (Virgin) acted unreasonably in connection with a cashback voucher he claimed

What happened

On 21 February 2025, Mr H requested a £10 cashback voucher via his Virgin app. He didn't receive it, so he reported the problem using an online form. He expected a response within 10 working days in line with Virgin's service standards.

Mr H hadn't received a response, or the voucher, by 8 March 2025, so he complained.

Virgin sent an acknowledgement dated 14 March 2025 (which Mr H received on 18 March 2025) to explain that it was looking into his concerns.

It then called Mr H on 21 March 2025 before issuing its final response to the complaint on the same day. In it, it explained there was a 'known issue' meaning that some cashback vouchers were not received (it noted Mr H had complained about the same issue previously). Virgin said it was working to resolve the issue. In relation to Mr H's other concerns, it was satisfied it sent an acknowledgement to his complaint within its normal timescales – albeit it accepted there was some confusion about what he'd been told concerning callback times. It apologised for any misunderstandings caused by aspects of its communication. To put things right, Virgin paid Mr H compensation of £60 for the distress and inconvenience he'd suffered.

Mr H wasn't happy with Virgin's response, or the amount of compensation offered. He complained to the Financial Ombudsman Service. He thought a more appropriate amount of compensation was £80 to £100 – especially as he'd still not received the cashback voucher and it was the second time he'd experienced this kind of issue.

Mr H's complaint was assigned to one of our Investigators to look into. Virgin indicated that it had re-sent a code to enable Mr H to retrieve his voucher. But as Mr H didn't receive it, Virgin sent the voucher for our Investigator to pass on to Mr H.

When our Investigator sent his complaint assessment to Mr H, he also forwarded the cashback voucher from Virgin. In summary, he agreed that some of Virgin's customer service fell short. And he explained what might have caused the cashback voucher not to have been received. Noting that Virgin sent the missing voucher to Mr H via our Service on this occasion, the Investigator suggested that, if necessary, Mr H might want to contact Virgin in future, so that other vouchers could be sent using other methods. Overall, the Investigator was satisfied that Virgin had acted reasonably by paying Mr H £60 in compensation and by sending the cashback voucher by other means. He said he wasn't intending to ask Virgin to do anything else.

Mr H didn't agree with the Investigator's assessment and made a number of points in response. He also indicated that Virgin expects its customers "*to jump through hoops*" to get what is owed to them.

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 recognise that Mr H feels strongly about the events leading to this complaint. Although I've considered everything he's said, I don't intend to address each individual point raised. Instead, I'll focus on those that I believe go to the heart of Mr H's complaint and the reasons for my decision.

As I explain below, I'm not going to direct Virgin to do anything else in relation to this complaint. I recognise that will likely be more disappointing news for Mr H, so I hope my reasons below provide helpful context.

There's no doubt that things didn't go smoothly for Mr H when trying to claim his cashback voucher. Virgin accepts this. And it told him it was working to try and resolve the issue as soon as possible. I'm satisfied that Virgin tried to offer some level of assurance to Mr H here (even if it didn't offer any other options at that point). Although I fully appreciate Mr H may not have seen things in that way given his previous (similar) experience. And that's a factor in him suggesting that further compensation is now warranted.

I don't wish to downplay what happened or the fact that Mr H felt it necessary to make a further complaint. It's worth making the point though that I wouldn't ordinarily seek to compensate a consumer simply because something's gone wrong which has required them to make a complaint. That's because, in general terms, I think it's reasonable for a consumer to take steps to try to resolve their own concerns as issues arise.

Also, the fact that Mr H had experienced a similar problem with Virgin previously isn't necessarily reason enough for me to say it should pay more compensation now. I say that largely because Mr H raised a separate complaint with Virgin about the previous issue and has been compensated in respect of that. Whilst it might be relevant for me to take account of what happened previously when there's regularly recurring issues, that's not the case here. In Mr H's case the issue he complains about has happened twice and he complained separately about the first instance and has received compensation. So, in this decision it's the most recent issue – and the steps Virgin took to address it – which I've focused on.

I need to be clear that my role here isn't to punish a financial business for something that has gone wrong. And when deciding whether to award compensation and if so for how much, I'll think about what sort of impact a business's mistakes or omissions have had on the consumer concerned, rather than the nature of the mistake itself. In other words, even though a mistake or shortcoming might have occurred, it doesn't automatically follow that it will warrant compensation. I think that's an important point to make here given some of the wider points Mr H has made.

For example, Mr H believes Virgin should pay more compensation because it's aware of a known problem concerning its voucher scheme yet continues to send vouchers via the same method. I can understand Mr H's position. From his perspective it might seem that Virgin is asking him to follow a method that will always fail. However, although Virgin acknowledged it's a known problem, as far as I'm aware, it's not one that affects all customers every time they try to claim a voucher. If it was, I'd imagine Virgin would have withdrawn this method of claiming vouchers altogether. Given this, as a starting point, I don't find it unreasonable that Virgin expected Mr H to submit his voucher request in the usual way. And therefore, it doesn't automatically follow that compensation is due for the reasons Mr H has suggested.

Virgin seemed to think the problem was due to Mr H's email settings. Whereas Mr H indicated that it could be an issue to do with his email provider being concerned about a potential virus. Either reason seems plausible. In any event, given that things went wrong a second time, I can appreciate why Mr H might feel that Virgin should have bypassed the normal process and sent the voucher to him as an email attachment - even if that wasn't its standard process. However, given that Virgin was clearly trying to work on a solution to the problem, I didn't find it unreasonable that it would again try to send the voucher through the normal channels. And as those attempts also failed, Virgin then opted to send the voucher to our Investigator to pass on.

Mr H's taken issue with this approach. He feels it's inappropriate for Virgin to pass the voucher to a third party (our Investigator). But I don't agree there was anything untoward in Virgin's approach here. Mr H gave his authority for our Service to try and resolve the complaint. That naturally involved us liaising with Virgin. And as Mr H's particular issue still hadn't been resolved by the time our Investigator was considering the complaint, I think Virgin took reasonable and pragmatic steps towards securing a resolution for Mr H. I recognise it wasn't in line with Mr H's preference (as I've mentioned, he feels Virgin should have sent an attachment by email). But that doesn't automatically mean it did something wrong.

A further point Mr H made is that Virgin's failure to meet its own service standards should also have been reflected in any compensation awarded. In contrast, Virgin doesn't accept it caused delays when acknowledging Mr H's complaint about the cashback voucher. I'm not entirely in agreement with Virgin on this particular point. According to Virgin's complaints information, if it's unable to resolve a complaint within three business days following the day it's received, it will write to the consumer to let them know. Mr H appears to have submitted his complaint on 8 March 2025 (a Saturday). So, accepting that Virgin may not have been able to do anything until the next business day (Monday), it still seems to me that it should have issued an acknowledgement before 14 March 2025 (a Friday) in order to meet its own service standards. On that basis, I'm inclined to agree with Mr H that there was a short delay here. However, whilst I accept this might have caused Mr H some short-lived frustration, I'm not persuaded the impact was such that it warrants additional compensation.

In summing up, I accept Mr H's testimony that he suffered additional stress as a result of Virgin's actions. I think that's reflected in some of the comments he's made. And whilst I'm not necessarily persuaded the additional steps he had to take meant he had to "*jump through hoops*" there's no doubt he was impacted by the problems he encountered.

However, after very careful consideration, I'm satisfied the compensation payment of £60 that Virgin made along with the apology it gave in respect of some of its communication, fairly recognises the impact these matters had on Mr H. So, I won't be directing it to do anything else.

My final decision

Clydesdale Bank Plc trading as Virgin Money has already taken reasonable steps to put things right for Mr H. So, I won't be directing it to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 8 October 2025.

Amanda Scott
Ombudsman