

The complaint

Mr A says Clydesdale Bank PLC, trading as “Virgin Money”, refuses to refund him for a failed ATM withdrawal and provided incorrect information about his account balance.

What happened

The facts of this complaint are well known to both parties, so I won't repeat them in detail here.

In short, Mr A complained about an ATM withdrawal for £250 on 29 July 2025 which he says he didn't receive the funds for. Mr A also says he was given the wrong account balance on the phone, and as a result he thought he had more money to spend. So, after further spending he was left in financial difficulty as his actual account balance was around £1,000 less than he thought. Mr A would like Virgin Money to pay him £1,000 in compensation for this misinformation and the difficulties this caused.

Virgin Money considered Mr A's complaint and provided a temporary refund of the disputed ATM withdrawal amount while it investigated. Virgin Money then reached out to the ATM owner for more information, but the evidence showed the transaction was completed successfully so it re-debited the credit given. However, Virgin Money did find that Mr A was told the wrong information about his account balance on the phone, and so it paid him £150 in compensation, for any difficulties this may have caused.

Mr A wasn't happy with this, so he brought his complaint to our Service. Following an independent review, our investigator didn't uphold this complaint. She felt the evidence persuaded her the ATM withdrawal was successful and she felt the amount of compensation Virgin Money had paid was fair. Mr A wasn't happy with this outcome so, the complaint has been passed to me 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.

Before I set out my thoughts, I want to acknowledge that I have summarised this complaint briefly and, in less detail than has been provided. I've focused on what I think is the heart of the matter. Please rest assured that while I may not comment on every point raised, I have considered it. I'm satisfied that I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this and reflect the fact that we are an informal service and a free alternative for consumers to the courts.

In order to hold Mr A liable for the ATM withdrawal, it is fair and reasonable that Virgin Money show it was entitled to debit it from his account. This usually involves evidence such as the ATM's Journal Roll, records from the purge bin and balancing information, to show whether the withdrawal went through and was dispensed properly. I'd also expect some investigation and confirmation from Virgin Money that there is no evidence the machine had

been tampered with or that it received other similar complaints from other users around the time.

As outlined by the investigator in the initial outcome, the ATM owner has provided technical evidence of the ATM journal roll showing the details of the transaction in dispute, and that the machine correctly dispensed 9 x £10 and 8 x £20 – which totals £250. There is also no evidence that funds were found in the purge bin and the machine balanced without showing a discrepancy of the disputed amount. The evidence shows successful withdrawals took place minutes before and after Mr A's withdrawals – so there is no evidence the machine was malfunctioning.

Mr A hasn't disputed this in response to the initial view or provided any further evidence for me to consider. And based on the above, I think it's likely this ATM withdrawal was completed successfully and the cash was correctly dispensed as recorded.

Mr A has responded to the investigator's initial view regarding the compensation Virgin Money made for the misinformation about his account balance. Mr A says the £150 is not sufficient to cover the distress and inconveniences suffered and he would like at least £1,000 as this was the amount it said he had in his account over his actual account balance. I've considered what Mr A is asking for, but I don't think this is fair and reasonable, I'll explain why.

Mr A has asked for Virgin Money to refund him the £1,000 difference in what his balance was and what he was told it was. But this means essentially asking it to write off genuine transactions he had made on his account, and for which he has had the benefit of. This is something we would be looking to do in a case where Mr A wasn't responsible for the payments and didn't get the benefit of the funds spent – but when looking at awards of compensation we have a different framework to consider.

As per our guidelines, set out on our website, an award of over £750 and up to around £1,500 could be fair where the impact of a business's mistake has caused substantial distress, upset and worry – even potentially a serious offence or humiliation. There may have been serious disruption to daily life over a sustained period, with the impact felt over many months, sometimes over a year. This is the bracket Mr A considers his compensation should be in. However, based on the evidence I don't think it's fair to say that Virgin Money providing the wrong information about Mr A's account balance would fit in this category.

Mr A was given the wrong information about his balance on 29 July 2025, and he says he was unaware of the correct balance until two weeks later. However, I've seen that Mr A viewed his account balance on his app several times after 29 July 2025 and before his statement date. I agree this must have caused some confusion, but I still think that Mr A ought to have been aware of his spending, and ought to have seen if some of his transactions had not yet cleared on his account balance.

Virgin Money have said that the mistake was probably made because some of the spending Mr A had made on 29 July 2025 had not yet been reflected on his account, and they apologised for this error. They also offered £150 in compensation for the confusion this must have caused. Based on our guidance, an award between £100 and £300 might be fair where there have been repeated small errors, or a larger single mistake, requiring a reasonable effort to sort out. These typically result in an impact that lasts a few days, or even weeks, and cause either some distress, inconvenience, disappointment or loss of expectation. And I think this feels like the right bracket for these circumstances. I say this because this was one larger single mistake which took a few weeks to be resolved. And this did result in the loss of expectation of the £1,000 extra Virgin Money said he had available. So, I think the £150 compensation is fair, and I am not asking Virgin Money to do anything further.

I know this outcome will come as a disappointment to Mr A but the evidence satisfies me that it's more likely than the ATM withdrawal was completed successfully. And for the reasons outlined above, I think the compensation Virgin Money have paid in relation to the misinformation is fair. So, I am not upholding this complaint.

My final decision

I am not upholding this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 19 May 2026.

Sienna Mahboobani
Ombudsman