

The complaint

Mr S complains that Clydesdale Bank Plc trading as Virgin Money (“Virgin Money”) reinstated direct debits (DD) on multiple occasions despite cancelling via its online form.

What happened

Mr S wished to cancel DD’s relating to his credit card. On 23 August Mr S instructed Virgin Money cancel a DD payment set up on his account. The cancellation was unsuccessful as the details Mr S provided Virgin Money with didn’t match what it had on file.

Mr S then completed a DD cancellation form on 31 August for a DD that was due to come out on 6 September. But as five working days’ notice is required for cancellation the request was made too late to action. Mr S made a further request on 5 September, but once again the DD wasn’t cancelled for the same reason.

The DD was finally successfully cancelled following Mr S’s instruction on 11 September.

Mr S complained to Virgin Money that it failed to follow his instructions for cancellation of the DD’s resulting in him being inconvenienced having to regularly check his bank account to check the DD’s were cancelled. Virgin Money didn’t uphold Mr S’s complaint as it determined the DD’s weren’t cancelled due to any fault of its own.

Mr S was dissatisfied with this and brought his complaint to this service. One of our investigators looked at all of this but didn’t think Virgin Money had made a mistake or treated Mr S unfairly.

Mr S disagreed and asked for an ombudsman’s decision on the matter.

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.

It might help if I explain here my role is to look at the problems Mr S has experienced and see if Virgin Money has done anything wrong or treated him unfairly. If it has, I would seek – if possible - to put Mr S back in the position he would’ve been in if the mistakes hadn’t happened. And I may award compensation that I think is fair and reasonable.

Mr S is unhappy that despite numerous requests to cancel his DD for his credit card, Virgin Money failed to action this and the payment for September was collected. Virgin Money have provided copies of its internal screenshots which show Mr S did indeed unsuccessfully request his DD be cancelled on three occasions. But the reason the cancellation was unsuccessful wasn’t due to any mistake made by Virgin Money.

Virgin Money’s records show that Mr S’s DD was due to come out on 6 September. Virgin Money requires five working days’ notice to cancel a DD. Although Mr S’s initial DD

cancellation request was received with enough notice on 23 August, Virgin Money wasn't able to cancel it as the details Mr S provided didn't match what was on file.

And as the following two DD cancellation requests – made on 31 August and 5 September - happened within five working days' of the DD payment being scheduled to go out – on 6 September - Virgin Money wasn't able to cancel it, as it hadn't received the required notice.

So I can't say that Virgin Money made an error or treated Mr S unfairly as it simply wasn't possible to cancel his DD on this occasion. Though I can see that the following DD was cancelled successfully and so I don't think there is anything more Virgin Money can do to assist Mr S regarding this.

So it follows because the failure to cancel the DD payment on 6 September wasn't due to an error on Virgin Money's part, I don't think it treated Mr S unfairly and I don't uphold his complaint.

My final decision

For the reasons I've explained I've decided not to uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 28 March 2024.

Caroline Davies
Ombudsman