

The complaint

Mr M complains about the service he received from Clydesdale Bank Plc trading as Virgin Money while managing his credit card account.

What happened

Mr M has raised several concerns about the service he received from Virgin Money in relation to his credit card account, which I've set out below.

- In July 2023 Mr M contacted Virgin Money to change the date of his monthly direct debit. It seems the call dropped, and Mr M said he didn't receive a call back.
- Later that month, Mr M tried to sign into his online credit card application (app), but received an error message. At this time, it seems Virgin Money's phone lines were busy, and there were issues with their 'live chat' function, making it difficult to contact them.
- Less than a week later, Mr M received an email informing him a statement was available for him to review on his app, but Mr M said that by this time, his access to the app had been blocked. He said this issue continued for a number of months into early 2024.
- In late July, Mr M received a refund of £500, due to an overpayment he had made. He said it was irresponsible of Virgin Money to refund this amount, given he was already over his credit limit. He said this put him into further financial difficulty.
- In early August Mr M called Virgin Money for an update on a good will payment they'd previously offered. He was transferred to another department and kept on hold for 30 minutes. Mr M said he hung up, called back, and spoke to someone who told him they'd speak with a manager and call him back the next day. He said this didn't happen. He also said he made a call on 10 August to complain, was promised a call back, but this didn't happen either.
- Mr M had a discussion with Virgin Money's fraud team around mid-August, and discussed options to bring his account back within its limit. He said a plan was agreed, but then rejected, as he couldn't pay his current month's minimum payment. He felt his time was wasted as a result, as the call lasted over an hour. He also said it wasn't his fault his account was over its limit. Mr M contacted Virgin Money again about this issue in January 2024, and he was offered £50 for the incorrect information being provided, but Virgin Money at the time, were unable to process this.

Unhappy with all of the above, Mr M complained. Virgin Money provided a detailed response, where in summary, they agreed that their service fell short in some areas, and as a resolution, they offered Mr M £150 compensation in total. Unhappy with this, Mr M brought his complaint to our service.

An investigator considered Mr M's complaint, and agreed there were some shortcomings in the service provided by Virgin Money, but ultimately, he felt their offer of £150 to compensate him for any distress these failings had caused, was a fair resolution in the circumstances.

Mr M remained unhappy however, so the case has now been passed 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.

Mr M's set out his position at length and I'd like to thank him for taking the time to do so. But my findings will concentrate on those matters I consider central to the outcome of this complaint. So, while I have considered everything, I may not explicitly address each and every point Mr M has made. I trust this won't be taken as a discourtesy, but reflects the informal nature of this service.

Looking first at the issue of the lack of call back in July, Virgin Money have apologised for this, and have accepted their shortcomings in that regard. As well as the line cutting off in July, this happened on a few other occasions, including later in August, when Mr M called to chase a compensation payment. Virgin Money have explained that the calls were dropped as a result of system issues, and they have apologised. It's unfortunate this happened, but these types of things can occur from time to time, and I have no reason to doubt what Virgin Money have told me. I also understand the payment date has since been changed. Virgin Money have rightly accepted that they were responsible here, and have apologised. So I agree this element of Mr M's complaint should be upheld.

The next two issues raised relate to Mr M being unable to contact Virgin Money after not being able to access his app, which I understand continued for a number of months; and, being unable to reach Virgin Money to discuss his account by phone, or through their live chat function. Virgin Money have explained that the app was unavailable due to a restriction placed on Mr M's account, and they explained to Mr M that he'd need to make payments before this could be removed. It was made clear to Mr M what was required in order to lift the restriction, and Virgin Money have explained this to ensure the safety of the account, which I think seems reasonable. They did accept responsibility however for the issues Mr M experienced with the call waiting times, which they agreed were excessive; and also, for the problems he experienced with their live chat function. Virgin agreed to uphold this element of Mr M's complaint, and again, I agree this was the right thing to do in the circumstances.

Mr M has also complained that he felt it was wrong for Virgin Money to refund a £500 payment to him. But Mr M had informed Virgin Money that he had paid £500 accidentally, instead of £50 (similar to another mistake he made around this time, having paid £700 instead of £70). So, I find it somewhat unusual that he is complaining about this now. I'm satisfied however, that it was a reasonable course of action for Virgin Money to refund these monies to Mr M, given he himself, had told them the amount had been paid in error. So, I won't be asking Virgin Money to do anything further in this regard.

Turning next to the call Mr M had with Virgin Money to discuss his repayments. I appreciate it must have been frustrating for him to have had lengthy discussions about an ongoing plan, only to then be told it couldn't proceed because he was unable to make the next minimum monthly payment. It seems within this call that Mr M, was, for a period of time, led to believe that the payment plan could proceed; only to be then told this was no longer an option. I accept this would have been frustrating, and I can understand why Mr M feels his time here was wasted. So, I'm also upholding this element of Mr M's complaint.

Overall, I'm satisfied there have been some shortcomings in the level of service Virgin Money have provided. And I agree that some, though not all, of Mr M's complaint points, do have merit. I also think, however, that Virgin Money were right to have accepted their shortcomings, and can see they have agreed to compensate Mr M £150 in total as a result. While not necessarily the outcome Mr M would've hoped for, I do think this is a fair level of compensation for the trouble Mr M experienced. And so, for the reasons set out, I won't be asking Virgin Money to do anything more here.

My final decision

Clydesdale Bank Plc trading as Virgin Money have already agreed to pay Mr M £150 in total in compensation. My decision is that I uphold this complaint and direct Clydesdale Bank Plc trading as Virgin Money to pay Mr M the £150 they agreed to if they haven't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 25 October 2024.

Brad McIlquham
Ombudsman