

The complaint

Mrs R complains that Clydesdale Bank Plc trading as Virgin Money ("Virgin Money") wrote to her saying it was going to put a stop on her account as she hadn't transacted on the account in three years. Mrs R says she was inconvenienced by having to visit a branch to have this matter resolved and is unhappy with the service she received when she raised her complaint and disputes that Virgin Money have paid out the proceeds of her account. Mrs R wants to be compensated for the transport costs and her time in visiting a branch and wants to receive the full proceeds of her account.

What happened

Mrs R held a savings account with Virgin Money. Virgin Money wrote to Mrs R on 3 May 2023 saying that it had been almost three years since it had heard from Mrs R and wanted to make sure the details it had for her were correct. Virgin Money asked Mrs R to get in touch providing her with the options of doing this online, visiting a branch (with ID), completing and returning a form or calling it. The letter explains if it doesn't hear from Mrs R within the next three months it will take steps to protect her account and she will only be able to access her money once it reconfirms her ID.

Mrs R visited a branch of Virgin Money on 22 May and completed a transaction and reactivated her account - so it was no longer classified as dormant. While there Mrs R raised a complaint about this. She says getting to the branch was over an hour's bus ride for her and she wasn't told she needed two forms of ID. She says the account is a savings account which is why she doesn't use it often and that it is incorrect that the last transaction was almost three years ago as there was a transaction in June 2022. She also says she last visited a branch 10 months earlier.

Following this Mrs R further complained that she was promised a call back within 48 hours but never received one. Mrs R decided to close her account and disputes that the full proceeds were paid to her.

Virgin Money didn't uphold Mrs R's complaint. It says it has procedures in place to ensure customers are aware and fully up to date in relation to their investments – one such procedure is asking the customer to get in touch when there have been any transactions over a period of 2 years 9 months. Virgin Money says it provided Mrs R with a number of options to get in touch and it was her choice to visit a branch. It says it called Mrs R back within 48 hours but that as she didn't answer it sent her a letter dated 25 May.

Mrs R was dissatisfied with this and so brought her complaint to this service. One of our investigators looked into Mrs R's concerns but didn't think Virgin Money had done anything wrong – Virgin Money had provided numerous options for Mrs R to get in touch and it had responded to her complaint within the 48 hours and the evidence showed that the last transaction on her account that wasn't an interest payment was a £100 on 30 July 2020.

Furthermore, the transactions on her account show that the full proceeds of the account had been paid out in two payments – one for £21,000.14 and one for £53.89 which totalled the £21,054.03 she was expecting.

Mrs R disagreed. and has asked for an ombudsman's 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.

My role is to look at the problems Mrs R has experienced and see if Virgin Money has done anything wrong or treated her unfairly. If it has, I would seek – if possible - to put Mrs R back in the position she would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

Mrs R's main complaint is that she had to go into a branch of Virgin Money with ID to remove the stop applied to her account and that this inconvenienced her. But I can't see Virgin Money has made an error or did anything wrong when it wanted to check Mrs R was still aware of her account, how much she held in it and still wanted it.

Virgin Money needs to ensure the safe custody of its customers' investments and protect them against fraud or theft. And while I wouldn't tell a bank what procedures it needs to put in place to do this, I don't think it's unreasonable when an account hasn't had any activity in a while it asks the customer to get in touch.

Mrs R says she went into a branch of Virgin Money 10 months earlier and that the last transaction on the account as shown on her passbook was in June 2022. But Virgin Money has no record of Mrs R visiting a branch and the transaction she is referring to was an interest payment – which wasn't initiated by her so doesn't qualify.

I appreciate that Mrs R has been inconvenienced by all of this, but these matters are a necessary part of life and it was Mrs R's choice to go into branch when she did. Virgin Money's letter makes it clear there were a number of other options to get in touch and confirm the status of her account and that she had three months to do this. So I don't think Virgin Money's request was unreasonable and I don't think it did anything wrong.

Mrs R is also unhappy that Virgin Money failed to call back within 48 hours as promised. But Virgin Money say it called twice on 25 May and as it didn't get an answer it sent Mrs R a letter. And Mrs R has told us she did receive a call but wasn't able to pick it up in time. So again, I can't say that Virgin Money did anything wrong here – it tried calling and when it wasn't able to get hold of her it sent her a letter all within 48 hours.

Finally, Mrs R disputes that Virgin Money transferred the full amount of her savings out of her account. But having looked at her statements I can see that she received two payments, one for £21,000.14 and one for closing interest of £53.89 which totals the figure she says she was expecting to receive. So I don't think there is anything more for Virgin Money to do here.

So as I don't think Virgin Money's actions have been unreasonable and because I don't think Virgin Money has made any errors, it follows that I don't uphold this complaint.

My final decision

For the reasons I've explained, I've decided not to uphold Mrs R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 10 January 2024.

Caroline Davies
Ombudsman