

## The complaint

Mr and Mrs G have complained about Clydesdale Bank Plc trading as Virgin Money ("Virgin Money") handling of their attempts to open a joint account.

## What happened

Virgin Money looked into Mr and Mrs G's concerns about not being able to open a joint account and the issues they experienced and offered Mr and Mrs G £50.00 in compensation for the additional time spent on the online application due to their technical problems and travel Mr and Mrs G made to its branch when Virgin Money were unable to assist.

Mr and Mrs G referred their complaint to our service as they felt the offer did not adequately compensate them for the interest they lost whilst trying to open a joint account.

One of our adjudicators assessed the complaint and he thought that Virgin Money's offer was reasonable. As Mr and Mrs G disagreed with the adjudicators assessment, the matter was referred for an ombudsman's decision.

I issued a provisional decision on 30 June 2023, explaining why I thought the complaint should be upheld. I have included an extract of my provisional decision below and it forms a part of this decision.

### ***"What I've provisionally 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.*

*Having reviewed everything, I'm currently minded to recommend that Virgin Money pay Mr and Mrs G more compensation than the £50 it has already offered. I will explain why.*

*From the outset, it is clear that all that Mr and Mrs G wanted to do was to open a joint account. This should be a fairly straightforward request for a bank to deal with and yet it took months of toing and froing for a joint account to be opened, and even then, Mr G was registered as both of the account holders. Although I should add at this point that I don't think that Virgin Money can necessarily be blamed for all of the trials and tribulations that Mr and Mrs G have had to face.*

*Nevertheless, when looking through what Mr and Mrs G have told us, I don't think Virgin Money had made it clear enough to them that the initial forms that they completed in June and July 2022 would not result in Mr G's account becoming a joint account.*

*Indeed, all that was achieved was that Mrs G was given third-party access to Mr G's account, leaving Mr and Mrs G essentially in the same position as they were before. However, although I've no doubt that these forms were provided in an attempt to help*

*Mr and Mrs G, I don't think that issuing third party mandate forms for Mr G's sole accounts helped matters in this case - as Virgin Money says that an existing sole account can't be converted into a joint account and instead a new account would need to be opened. Indeed, Mr and Mrs G wanted to ensure that the funds in the account would be vested to the other account holder, rather than go through probate. But adding Mrs G as a third-party authority would not achieve this aim.*

*As such, I think a large part of the difficulties Mr and Mrs G faced was caused by Virgin Money providing Mr and Mrs G with the wrong set of forms (or at least not providing the correct forms) from the outset. Had Virgin Money instead provided the application forms for a joint account and explained what ID they needed to provide, then I doubt that Mr and Mrs G would've faced the difficulties that they did, and I think that a joint account (in the correct names) would've been setup much quicker too.*

*I can see that Mr and Mrs G have had to make a few trips to Virgin Money branches. And whilst a visit to branch is not usually too much of an inconvenience for many, in this case I can see that Mr and Mrs G had a two hour round trip on three occasions. Again, had the correct forms been required, I don't think Mr and Mrs G would've needed to have made as many trips as they did.*

*I understand that when Mr and Mrs G attended the second Virgin Money branch, unfortunately Mrs G did not have the correct ID with her, so the joint account application could not proceed.*

*Although I realise that this would've been highly frustrating for Mr and Mrs G, Virgin Money can only reasonably be expected to be able to accept certain types of ID, to ensure they comply with the various regulations. And although Mr and Mrs G say Mrs G was an existing customer, from what I understand she wasn't and only had third party access to the existing account (which is not the same as being an account holder – as Mr G has come to realise in the course of this complaint). Virgin Money did suggest they visit their other bank to obtain the necessary documentation, so at this stage, I think that Virgin Money did try and assist Mr and Mrs G to get the joint account set up to avoid them a wasted journey.*

*After the failed attempts to open a joint account, Mr and Mrs G then asked their daughter to try online. I understand that this ultimately led to a joint account being set up, but rather bizarrely, this somehow ended up with Mr G being both of the account holders.*

*There seems to be some dispute as to who is to blame for this. For example, Virgin Money say that this occurred because Mr G's details were entered in twice. Conversely, Mr and Mrs G say that their daughter tried to enter Mrs G's details on the application form, but an error message kept appearing, and that when she called Virgin Money for help, she was told it was due to a 'technical problem'. But whoever was at fault for this (failed) further attempt to open a joint account, I don't think Mr and Mrs G would've experienced this additional frustration had things gone as they should've in the first place.*

*So, when considering everything that has happened, and the impact that this matter has had on Mr and Mrs G, I currently think that Virgin Money should pay Mr and Mrs G £300 for the distress and inconvenience caused. When reaching this figure, I have taken into account Mr and Mrs G's specific circumstances; the journey's they've taken; the amount of time it's taken; and the inconvenience caused to them in that time to try and get matters resolved.*

*And whilst I recognise that Mr and Mrs G asked for lost interest rather than 'compensation', I note that they were still able to hold the funds in a savings account and were able to transfer their funds to their other bank, where they presumably were still able to earn some interest.*

*So, I think a lump sum to reflect the difficulties they have faced is reasonable redress in the circumstances.*

### **Putting matters right**

*As such, I currently think that Virgin Money should pay Mr and Mrs G a total of £300 (i.e. pay a further £250 if it has already paid the £50 previously offered) for the distress and inconvenience that was caused to them in this matter.*

*I'm also planning on instructing Virgin Money to reach out to Mr G to assist him in taking the necessary steps to get the joint account changed into his and Mrs G's name, if it has not done so already. If Virgin Money does this, Mrs G should be aware that she will likely be required to provide specific types of ID to get it approved."*

Both Mr and Mrs G and Virgin Money responded to the provisional decision.

Mr and Mrs G agreed with my provisional decision, but added that they felt it was extreme and inconsiderate that Virgin Money asked that they go out into the rain to obtain a bank statement from their other bank, especially given Mrs G's mobility issues and when Mr and Mrs G already had a lot of documentation with them.

Virgin Money also agreed with the decision to pay Mr and Mrs G additional compensation. Virgin Money asked for the bank details of the account that Mr and Mrs G would like the money to be paid into, and also asked if Mr and Mrs G are still happy to open a joint account, whether they're happy to be contacted by the branch to arrange an appointment.

### **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.

As both parties have agreed with my provisional decision, I see no reason why I should change the outcome I reached.

I note that Mr and Mrs G say that it was 'extreme and inconsiderate' that Virgin Money suggested that they go to their other bank branch to obtain a bank statement, despite Mrs G's poor mobility and it pouring with rain at the time.

On this point, I have to say that I don't think Virgin Money's suggestion was extreme or inconsiderate. On the contrary, I think that Virgin Money was simply trying to be helpful to save Mr and Mrs G a wasted journey.

In summary, when Mr and Mrs G attended the appointment in question, they didn't have two *valid* forms of ID needed for Mrs G. This meant they could not proceed with the application. So the only choices they had were to either go home and try another time, or the next best option was to be able to obtain a bank statement from a branch of the their other bank. Therefore, although it may've been difficult or inconvenient for Mr and Mrs G, I think that Virgin Money's suggestion was a reasonable attempt to try and resolve matters there and then. And of course, it was only a suggestion. Mr and Mrs G were not obliged to go to a

branch of their other bank if they didn't want to, or if it would've been too difficult for them to do so.

As outlined above, Virgin Money has agreed to contact Mr and Mrs G (only if they are happy to be contacted) to arrange an appointment so that they can apply for a joint account again.

Given that the troubles Mr and Mrs G have faced seem to largely revolve around them having invalid ID when applying for an account, if Virgin Money does contact Mr and Mrs G, it will need to explain what forms of ID (and how many of them are required) would be accepted as valid to open the joint account - in advance of any appointment that may be arranged.

At the same time, I'd also like to remind Mr and Mrs G that Virgin Money can't reasonably be expected to accept documents not on the list. So, it is imperative that they only provide *valid* forms of ID (and the correct amount for each person), to ensure the joint account application can proceed correctly.

### **Putting things right**

To put matters right, Virgin Money should pay Mr and Mrs G a total of £300 (i.e. pay a further £250 if it has already paid the £50 previously offered) for the distress and inconvenience that was caused to them in this matter.

I also require Virgin Money to reach out to Mr and Mrs G (providing Mr and Mrs G are happy to be contacted) to assist them in taking the necessary steps so that they can have a joint account in Mr and Mrs G's names. If Virgin Money does this, Mr and Mrs G should be aware that they will be required to provide very specific types of ID to get their application approved.

### **My final decision**

Because of the reasons given above and in my provisional decision, I require Clydesdale Bank Plc trading as Virgin Money to do what I have outlined above, to put matters right in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs G to accept or reject my decision before 10 August 2023.

Thomas White  
**Ombudsman**