

The complaint

Mr and Mrs K complain that the mortgage they hold with Clydesdale Bank Plc trading as Virgin Money can't be viewed online. Mr and Mrs K said they weren't given clear information on this, and said they were now stuck having to ring Virgin to check on their mortgage.

What happened

Whilst this complaint is brought by both Mr and Mrs K, as the mortgage is in both their names, our dealings have been with Mr K. So I'll mainly refer to him in this decision.

Mr K said he had problems logging in to view his mortgage. He couldn't remember his login details. He said the customer care team told him to register a new account. When he did that, he got a message to say he already had an account, but he carried on with creating a new login, as advised. Mr K said he couldn't then view his account. So he logged in using his old account, but he still got the same result.

Mr K said he didn't know what he was wrong, or why he couldn't see his mortgage. He said this was very worrying, and although he'd asked Virgin what had happened, he'd had no reply. He said that not being able to view an up to date balance on their mortgage was preventing him and Mrs K from putting together an accurate medium term budget.

Mr K said that in other circumstances he would ask Virgin to waive its right to collect an early repayment charge ("ERC") so they could move their lending elsewhere, but he said that at the moment, this would mean a switch to much higher interest rates. So he said Virgin should pay financial compensation. He said the amount of that should be decided bearing in mind the overall worth of the mortgage over its lifetime, and that he felt this was a serious failing in customer service. He thought Virgin should, as a gesture of good will, extend the fixed rate for him and Mrs K, saving them money and allowing Virgin to keep them as customers for longer. He also thought Virgin should apologise, and provide a timeline for when the online portal will be fixed.

Virgin said it could see Mr K had repeatedly tried to access his online account, and had failed. It said its online system was unable to allow access to mortgage accounts like that held by Mr and Mrs K, which are made up of two separate mortgage products running side by side.

Virgin said it was sorry this affected Mr K, and that he hadn't been told about this sooner when he asked what was wrong with the online portal. Virgin said it was looking to improve this, but it didn't have a timeline for any changes.

Virgin also said it was sorry that Mr K had a long wait when he rang about his mortgage. It said it was hiring more staff.

Virgin offered to pay Mr K £250 to apologise. That was made up of £150 for not being able to access online banking, £50 for long call waiting times, and £50 for a delay in responding to

his complaint. Mr K said he'd received this payment, but he didn't think it was enough to make up for what had gone wrong.

Our investigator didn't think this complaint should be upheld. She accepted that Mr K wasn't given accurate information about logging in to his online account, or why he then couldn't access his mortgage. This had led to unnecessary frustration. And the end result was still that Mr K couldn't access his mortgage online, so he would have to either call Virgin or review his mortgage statements to get information on his mortgage.

So our investigator appreciated that the end position here was inconvenient for Mr and Mrs K, especially with long call waiting times. But she said it wouldn't be reasonable to ask Virgin to alter the mortgage product as compensation, as Mr K had suggested. She said Virgin's offer was fair and in line with our guidelines.

Mr K didn't agree. He said that if he'd realised when he was first applying for this mortgage that he wouldn't be able to carry out basic transactions online, he thought it was likely that he and Mrs K would have strongly considered alternative products. But our investigator didn't change her mind. She said Virgin hadn't promised Mr K online access to his account.

Mr K wanted this complaint to be considered by an ombudsman, so it came 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.

I've reached the same overall conclusion on this complaint as our investigator.

I accept that Mr K has received some poor service from Virgin, because it didn't explain to him that he wouldn't be able to log in to his account and view his mortgage online, either when he asked it about problems logging in, or when he asked it why he couldn't then see his mortgage. I'll bear that in mind when I'm thinking about compensation.

Moving forward, I understand Mr and Mrs K would very much prefer to be able to view their mortgage online. But Virgin says it's not able to offer that, because they have a mortgage with two separate parts. It's told us that its online facility is limited, and isn't able to display this for Mr and Mrs K.

Our service isn't a regulator, so I'm not able to oblige a bank to change how it provides its services to customers. Unfortunately, I haven't been able to see that Virgin is obliged to provide an online account facility for Mr and Mrs K. And, as our investigator noted, it doesn't appear to have promised to do so. For those reasons, I don't think that it's necessarily unfair or unreasonable for Virgin to say it just can't provide this at the moment for Mr and Mrs K.

I realise this is less convenient for the couple. But mortgages are a long-term product, so I don't think it would be reasonable for me to conclude this would stop Mr and Mrs K from budgeting in the medium term.

Mr K told us if they'd realised they wouldn't have online access to their mortgage, they would have considered alternatives. But I can see that Mr and Mrs K applied in late 2018 to add more borrowing to their existing mortgage. An ERC would have been payable at the time if they'd chosen to change lender then. The ERC on their mortgage was then over £3,000.

I note that when Mr and Mrs K's complaint came to our service, they suggested if Virgin were to agree to save them some money, by extending their fixed interest rate, then they would remain its customers. That makes me think Mr and Mrs K are, very sensibly, prepared to tolerate some inconvenience, if it's in their financial interest. For that reason, I think it's less likely that Mr and Mrs K would have chosen to pay the ERC and change their mortgage lender back in 2018, even if they'd been made aware that they were likely to lose online access to their mortgage because of the additional lending.

For those reasons, I agree that the payment Virgin has already made in this case, of £250, does provide a fair and reasonable outcome to this complaint. I know Mr and Mrs K will be disappointed, but I don't think I can fairly ask Virgin to do more than that. And that means this complaint won't be upheld.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K and Mr K to accept or reject my decision before 7 August 2023.

Esther Absalom-Gough
Ombudsman