

The complaint

In summary, Mrs W complains that Clydesdale Bank Plc, trading as Virgin Money, didn't complete the transfer of an Individual Savings Account (ISA) in the time it should have.

As Clydesdale is the company responsible for the complaint, I will refer to it in my decision rather than Virgin Money.

What happened

In October 2022, Mrs W requested a transfer of an ISA she had with another provider to Clydesdale. She wasn't happy with the time it took for the transfer to be completed and complained to Clydesdale.

In its response to her complaint, Clydesdale apologised that the transfer took as long as it did. And it accepted Mrs W had received poor customer service. It confirmed that interest had been backdated to November 2022. It also offered her £100 for the distress and inconvenience she had been caused.

Mrs W didn't accept the £100 offered by Clydesdale. So, her concerns were looked into by one of our investigators. They said that Clydesdale had put her back into the position she would have been in, by refunding all of the interest she would have received. It had also offered her £100 in compensation. So, they weren't asking it to do anymore.

Mrs W didn't agree and asked several questions which the investigator responded to. In summary she didn't think the award was sufficient for the five months distress and inconvenience she suffered. Her husband had to chase Clydesdale on a regular basis.

Mrs W provided further submissions as to why she didn't think the award was sufficient. She said Clydesdale was the controller of the paperwork and therefore of the timetable and speed of events. She thought there should be a fixed regulatory fine for each case it failed on. She accepted there was not a great deal of lost interest. It took 125 days for the correct interest to be received and she didn't think the effective award of 80 pence a day was sufficient.

The complaint has been passed to me to review.

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.

Having done so, I don't think Clydesdale needs to do anything more. I'll explain why.

In reaching my findings, I haven't commented on every point of concern Mrs W has raised. I don't intend to offend her by not doing so or mean any disrespect in taking this approach. Instead, I've focussed on the key issues I think I need to consider.

Mrs W has confirmed that Clydesdale has paid the interest she lost out on as a result of the delays and backdated this to when the transfer should have been completed. I understand Mrs W's concerns that Clydesdale hadn't processed her ISA transfer application within the relevant timeframes, and she had to chase the payment of interest. That's not in dispute and Clydesdale accepts that there were delays in the ISA transfer being processed which were down to it, and in it providing Mrs W with information; and applying the interest correctly. So, I don't need to make any findings on that point. But I do need to consider what appropriate compensation should be for the distress and inconvenience she has been caused.

I agree that Mrs W has been caused some distress and inconvenience as a result of Clydesdale's delays and has had to chase it to get the transfer progressed. It appears that her husband has assisted with that as well.

Deciding on an award of compensation for distress and inconvenience, isn't an exact science. I need to think about the impact on Mrs W of the mistakes made by Clydesdale when considering the amount of any award that might be appropriate, to compensate her for the distress and inconvenience she's been caused. And I don't have the power to make any punitive award against a business such as Clydesdale.

I acknowledge the transfer took longer than it should have. I also accept that Mrs W was put to the inconvenience of having to chase this matter up with Clydesdale over several months. It seems to me that the impact on Mrs W has been relatively moderate, although I acknowledge she doesn't think so.

Mrs W has said she thinks Clydesdale should be fined for every case that it has failed on. I understand her wider concerns given her personal experience in respect of her ISA transfer. But I can only consider individual complaints. It's not my role or that of this service to consider any potential regulatory failings that may have been caused by Clydesdale. That would be a matter for its regulator the Financial Conduct Authority (FCA), to consider.

Although it's possible that Clydesdale could have offered to pay more compensation, for the reasons I've summarised, I don't think what it has offered Mrs W is an inappropriate amount of compensation, to reflect the inconvenience she has been caused because of the delays by it in processing her ISA transfer and rectifying the account.

My final decision

Clydesdale Bank Plc has already made an offer to pay £100 to settle the complaint and I think this offer is fair in all the circumstances.

So, my decision is that if that amount hasn't already been paid to Mrs W and if she accepts my decision, Clydesdale Bank Plc should pay Mrs W £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 20 July 2023.

Simon Dibble
Ombudsman