

The complaint

Mrs S would like Clydesdale Bank Plc trading as 'Virgin Money' to pay more compensation to reflect delays she experienced and poor service it provided during the process of transferring her ISA* from another financial services business (whom I'll call 'B' to keep things simpler.)

**Individual Savings Account.*

What happened

Mrs S held a cash ISA with B and wanted to transfer these proceeds from B to Virgin Money. She started the process in December 2023 and there were delays from the outset. In January 2024, Virgin Money accepted it had provided some poor service and paid her £100 to reflect the distress and inconvenience caused.

The transfer completed in April 2024, but Mrs S complained further to Virgin Money about continuing delays she'd experienced and difficulty finding out what was happening. In June 2024, Virgin Money said it could see why she was unhappy with the service it had provided. Virgin Money paid Mrs S a further £100 and invited her to get in touch if there were any '...knock-on impacts in any way as a result of the situation'.

Unhappy at how long the transfer had taken to complete, Mrs S felt more compensation was warranted and she brought her complaint to us. Our investigator thought that Virgin Money had responded fairly and reasonably to Mrs S' complaint and didn't recommend any further action.

Mrs S disagreed with the investigator's view and she's asked for an ombudsman to look at the complaint. So it comes 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.

Having thought about everything I've seen and been told, I've independently reached the same overall conclusions as our investigator. I'll explain why I say this.

I sympathise with Mrs S' frustration at the delay she encountered when it took longer than it should've done to carry out her transfer instructions. HMRC guidance says ISA transfers should take no longer than 15 working days for transfers between cash ISAs. So I've thought carefully about how far Virgin Money was responsible for unreasonable delay and about the quality of the service it provided to Mrs S in connection with this matter.

Mrs S first approached Virgin Money to arrange the transfer in December 2023. Virgin Money acted promptly on her instructions – but it looks like Mrs S' account with B had become dormant. Virgin Money's transfer request was rejected by B as it couldn't locate

Mrs S' account. As I'd expect Virgin Money to do in this situation, Virgin Money notified Mrs S about the failed transfer and suggested she contact B.

There was phone contact between Virgin Money and Mrs S – but Virgin Money wasn't always able to reach Mrs S on the phone and Mrs S had a preferred contact at Virgin Money that she liked to speak to. I can understand why Mrs S wanted to speak to someone who was already familiar with her case. But this meant she wasn't always able to get answers to urgent queries as quickly as she wanted.

On 7 February 2024, it was agreed with Mrs S over the phone that Virgin Money would resubmit her ISA transfer request. This was done straightaway – but again rejected by B. Virgin Money notified Mrs S who told Virgin Money that she would check up with B.

Mrs S subsequently told Virgin Money that she'd spoken to B who had told her that the account had been re-activated. Virgin Money submitted a further transfer form. This was rejected by B for the same reason as before – B couldn't find Mrs S' account. Virgin Money notified Mrs S.

Following further discussion, Virgin Money suggested to Mrs S that she could try completing a paper transfer form. Over the course of the next few weeks, Mrs S called Virgin Money a number of times when her preferred contact wasn't available to speak to her. As a result, Mrs S wasn't able to obtain the help she wanted to complete the ISA transfer form until 2 April 2024. Virgin Money shortly afterwards successfully completed the transfer.

I'm just looking at Virgin Money's role in the transfer – I make no comment on how B dealt with the matter. But it seems clear that there were a number of factors that delayed the transfer which were out of Virgin Money's control. When B rejected the transfer request, Virgin Money needed to tell Mrs S – which it did. The onus was then on Mrs S to liaise with B and resubmit a fresh transfer request. I also don't think it would be fair to blame Virgin Money for delays arising when the person Mrs S wanted to speak to was engaged on other duties and unavailable to take Mrs S' call. Mrs S had the option of speaking to a different call handler.

So whilst things took a lot longer overall to complete, I can't fairly say that Virgin Money was entirely responsible.

Virgin Money however accepted that in some respects, the service it provided fell short of the level of service Mrs S was reasonably entitled to expect.

Our approach to redress is to aim to look at what's fair and reasonable in all the circumstances of a complaint. One way we would try and do this impartially here is to put Mrs S in the position she'd be in if Virgin Money hadn't been responsible for the poor service issues it has admitted. So my starting point is to think about the impact on Mrs S of what happened.

I've thought first about financial loss. Mrs S received a payment of £466.15 in January 2024 to reflect backdated interest and she hasn't told Virgin Money or us about any 'knock-on impacts'. So I haven't been provided with anything to show that Mrs S is out of pocket as a result of any poor service on the part of Virgin Money.

Fair compensation isn't however just about monetary loss – it also needs to properly reflect the wider impact on Mrs S of Virgin Money's service failings.

I don't doubt that Virgin Money's admitted poor service was frustrating and very stressful for Mrs S. There was a lot of money at stake and it was clearly a worry for Mrs S trying to sort

out the transfer - which she might reasonably have expected to be straightforward. But it doesn't automatically mean that a larger compensation payment is due from Virgin Money.

I think the £200 compensation paid overall by Virgin Money is fair and reasonable in all the circumstances. It fairly reflects the distress caused and the trouble Mrs S was put to as a result of Virgin Money's admitted service failings. Beyond this, I don't agree that Mrs S' experience with Virgin Money warrants further compensation.

I am satisfied that £200 in total matches the level of award I would make in these circumstances had it not already been paid. It is in line with the amount this service would award in similar cases, and it is fair compensation for Virgin Money to pay Mrs S in her particular situation.

So, looked at overall, I am satisfied that Virgin Money has already taken responsibility for addressing shortcomings it identified on its part and done enough to put this right.

I'd like to reassure Mrs S that I've taken carefully into account everything she's told us. But rather than responding to each point, I've concentrated on the question of fair redress for what happened, as this is the main reason Mrs S asked for an ombudsman referral. This reflects the fact that we provide an informal complaint handling service as a free alternative to the courts.

I hope that setting things out as I've done is helpful and even though this isn't the outcome Mrs S hoped for, she will at least feel that her complaint about Virgin Money has been fully considered by the Financial Ombudsman Service.

My final decision

My final decision is that I do not uphold this complaint as I am satisfied that Clydesdale Bank Plc trading as Virgin Money has already paid fair redress.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 9 December 2024.

Susan Webb
Ombudsman