

The complaint

Mr F is unhappy that Virgin Money Unit Trust Managers Ltd ('Virgin Money') transferred his entire ISA balance to another provider, instead of only part of it.

What happened

Mr F held a stocks and shares ISA with Virgin Money. In January 2024, he wanted to transfer £75,000 to an ISA with another provider, who I'll refer to as Company A, with the remaining balance staying in the Virgin Money ISA.

Virgin Money completed the ISA transfer. But instead of only sending £75,000 to Company A, they transferred Mr F's entire balance and closed his Virgin Money ISA.

Mr F complained about this, and also about the length of time it took Virgin Money to carry out the transfer, and the customer service they provided when he tried to contact them. Virgin Money explained that they hadn't been informed he only wanted to transfer £75,000, and that they didn't carry out partial ISA transfers anyway. They also said the transfer had been carried out within the 30 calendar days set out in the relevant guidelines. But they offered Mr F £50 to recognise delays he'd experienced when trying to call them.

Unhappy with this response, Mr F brought his complaint to our service where it was considered by an investigator. They didn't think the complaint should be upheld. As Mr F disagreed, the case has been passed to me.

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.

The amount to be transferred

I've seen the ISA transfer documents from Company A. These include the transfer request letter and the transfer authority form. The authority form, signed by Mr F, is dated 12th January 2024. The request letter is dated 18th January 2024. Neither of these states that Mr F only wants to transfer £75,000 of his Virgin Money ISA. On the basis of these documents, which are what Virgin Money would have received and used to action the transfer, I cannot see how Virgin Money would have been aware of Mr F's intention to transfer only £75,000.

Mr F has said that these documents are likely ones which Company A had to resubmit after Virgin Money rejected the initial partial transfer request. But the documents are clearly dated 12th / 18th January, and there's nothing to suggest these are documents that have been resubmitted. There's also nothing to suggest that Virgin Money received an initial, partial, request which they rejected.

Mr F has questioned why Virgin Money messaged him on 29th February to say they don't accept partial transfers. He feels this shows they were aware his request was not for the full ISA to be transferred. I agree - this message shows Virgin Money were aware of this, but the

evidence shows they were made aware of it only a few days earlier, on 23rd February when Mr F sent them a message which said:

“Please urgently advise me what is going on with my account. I applied to transfer the sum of £75000 to [Company A] from my stocks and shares ISA, the process of which you acknowledged in your message above. I received a letter today, advising me that my TOTAL ISA is being liquidated. I telephoned today, (23/02/2024 at 12.30 hours and spoke to Ryan who promised a call back which has not so far (15.09 hours) occurred. [Company A] have confirmed that they only requested 75k. What are you doing? Where is my money now? Do I need to contact the police?”

By the 23rd February, when Mr F sent this message, Virgin Money had already sold the units in the ISA, in order to transfer the funds to Company A. I don't consider that their message of 29th February indicates that they were aware of Mr F's intention for a partial transfer at any point prior to 23rd February.

Mr F has provided a copy of a document from Company A titled 'Costs and charges disclosure for [Mr F]' dated 12th January 2024. It says *“Below is your estimated investment costs and charges for your Stocks/Shares. These costs and charges are based on the amount you've told us you're investing now.”* He says this document is clear that he only intended to transfer £75,000, as this is listed next to 'Total invested'. I appreciate that this indicates Company A were likely aware that Mr F intended to invest £75,000. But it doesn't show that Virgin Money were aware he only wanted to transfer out part of his balance. I say this because this document is not one Virgin Money will have seen at any point – it is a communication between Mr F and Company A, and it's clearly an *indication of estimated* future charges – not a statement of an actual current investment.

Mr F has said he thinks it's irrefutable that his intention was clear to Company A. But this complaint is not against Company A so I am unable to consider or comment on their actions. I must limit this decision to whether Virgin Money have done something wrong. And taking everything into account, I have not been provided with evidence to show they were aware of Mr F's intention to transfer only £75,000 until 23rd February, by which point the sale of the units had already occurred.

Time taken to complete the ISA transfer

Firms are required to transfer ISA assets within a reasonable timeframe, and guidelines are provided around this. In Mr F's circumstances, Virgin Money would be expected to transfer the ISA balance within 30 calendar days. I've not seen anything to show that there was something about Mr F's ISA that would have caused the transfer to take any longer than that, so I don't think it's an unreasonable timeframe to apply here.

Mr F says Company A told him that Virgin Money were aware of his transfer request on 18th January 2024. As explained above, I'm not here to evaluate or comment on Company A's actions. But I can see that the transfer letter itself is dated 18th January. Given it was posted to Virgin Money, I don't think they received it the same day. I think it's more likely they received it on the day they've stated – 24th January, 4 working days after it's dated and was likely posted.

This means I'd expect the ISA transfer to have been completed by 23rd February, to fit within the 30 calendar days. I've seen a screenshot of Virgin Money's internal systems and this shows that the units were sold on 19th February and the payment authorised on the same day. Mr F has also told us that he received a note to say his investments had been sold that day. So in conclusion, I think the transfer occurred within the expected timeframe.

Customer service

Mr F contacted Virgin Money on a number of occasions in February, to chase updates on the progress of his transfer as well as to question why the whole balance had been transferred. Virgin Money have acknowledged Mr F experienced long hold times, and Mr F has also said he was promised call backs which didn't happen.

In their final response letter dated April 2024, Virgin Money offered Mr F £50 to recognise the high call volumes and long wait times. While they didn't also specify the missed callbacks, I think £50 is fair to recognise all the poor service in the circumstances. If this has not been paid to Mr F and he wishes to accept it, he should contact Virgin Money directly.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 18 March 2025.

Artemis Pantelides
Ombudsman