

The complaint

Mr W is unhappy that Clydesdale Bank Plc, trading as Virgin Money, transferred the wrong ISA to another ISA provider.

What happened

Mr W held two ISAs with Virgin and wanted to transfer one of the ISAs to another ISA provider (which I'll refer to 'X'). Mr W contacted X and arranged the ISA transfer with them. And Mr W provided X with the ISA account number, the balance of the ISA, and the name of the ISA account. However, when the ISA transfer to X completed, Mr W found that the wrong ISA had been transferred. Mr W wasn't happy about this, so he raised a complaint.

Virgin responded to Mr W but didn't feel that they'd done anything wrong because they'd transferred the ISA correctly based on the ISA transfer request provided to them by X. And Virgin noted that X hadn't provided the account name or the account balance but had only provided the ISA account number and that Mr W wanted to transfer the whole balance of that account. Finally, Virgin noted that because Mr W had unfortunately given the wrong ISA account number to X, which had then been passed on to Virgin, this was why the ISA that was transferred had been transferred.

However, Virgin did uphold some additional points of complaint that Mr W had raised. These included that Mr W felt that Virgin's ISA transfer process wasn't user friendly and had caused a delay in the transfer completing. Virgin apologised for this, and they backdated the transfer and adjusted the interest accrued amount accordingly to ensure that Mr W hadn't been financially disadvantaged by what had happened. Virgin also paid £100 to Mr W as compensation for any trouble or upset this may have caused. Mr W wasn't satisfied with Virgin's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they felt that the response Virgin had issued to the complaint already represented a fair resolution to it. Mr W disagreed, and so the matter was escalated to an ombudsman 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.

Mr W is unhappy that Virgin transferred the wrong ISA to X. However, when Mr W submitted his ISA transfer request to X, he unfortunately included the wrong ISA account number. And this wrong account number was then passed on by X to Virgin.

As such, when I ask myself whether Virgin did anything wrong by transferring the ISA to X that they did, I can only conclude that they did not. And this is because Virgin transferred the correct ISA to X, based on the ISA account number that they were provided by X. And ultimately, it isn't Virgin's fault that Mr W provided the wrong ISA account number to X.

Mr W notes that when he instructed the ISA transfer with X, that he provided the ISA account

name and account balance alongside the (incorrect) ISA account number. But this additional information wasn't passed on to Virgin by X. Instead, the ISA transfer request that Virgin received from X simply stated the ISA account number and that Mr W wanted to transfer the full balance of that account – and that is what Virgin did.

Mr W is also upset that Virgin closed the ISA account on their systems after they transferred the balance of that account to X. But this doesn't seem unreasonable to me. And I wouldn't expect Virgin to have kept the account open given that Mr W had instructed the transfer of the full balance of the account to another provider.

Mr W also raised several points of complaint with Virgin about his experience during the ISA transfer process. These included that the ISA transfer was delayed, that he had excessive wait times when trying to call Virgin, and that he was unhappy that he had two different account log-in processes.

Virgin apologised to Mr W for the delay in transferring his ISA and backdated the transfer to the appropriate date and credited interest to Mr W that he should have earned to ensure that he didn't lose out financially because of the delay.

Virgin also apologised to Mr W for the long call wait times and explained that the reason he had two different log-in processes was because of past corporate acquisitions and the fact that some products remained on different systems to other products. And Virgin paid £100 to Mr W as compensation for any trouble or upset he may have incurred because of the poor experience he'd had.

Virgin's apologies, corrective action, and explanation all seem reasonable to me here. And I also feel that the payment of £100 compensation is a fair compensation amount in this instance. This is consideration of the impact of the poor experience on Mr W, and in consideration of the general framework this service uses when assessing compensation amounts, details of which are available on this service's website.

All of which means that I won't be upholding this complaint or instructing Virgin to take any further action here. This is because I don't feel that Virgin bear any responsibility or accountability for Mr W's dissatisfaction over which ISA account was transferred, and because I'm satisfied that Virgin conducted the transfer correctly based on the information they received from X. And it's also because I feel that Virgin's apologies and payment of £100 compensation already fairly resolve the other aspects of Mr W's complaint.

Finally, I note that Mr W has raised some further points of complaint with this service that he hasn't previously raised with Virgin. But this service can only consider points of complaint that have been raised by the complainant with the respondent business, whereby the business has had the formal opportunity to consider and respond to those points.

As such, if Mr W has further points of complaint that he would like investigating, I can only refer him to Virgin and ask him to raise those points of complaint with them in the first instance. And I confirm that once Virgin have had the formal opportunity to consider and respond to those further points of complaint, Mr W may have the right to refer those points of complaint to this service at that time, should he still wish to do so.

I realise that the above may not be the outcome that Mr W was wanting. But I hope that he understands, given what I've explained, why I've made the final decision that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 19 February 2025.

Paul Cooper
Ombudsman