

## **The complaint**

Mr and Ms S have complained that Clydesdale Bank Plc trading as Virgin Money ("Virgin Money") continued to advertise a fixed term cash ISA as offering an interest rate of 4.61% per year, even after the 12-month fixed term had started.

Mr and Ms S say that Virgin Money had provided misleading information about how the cash ISA worked.

## **What happened**

Mr and Ms S saw that Virgin Money offered a 1-year fixed rate exclusive cash ISA offering a rate of 4.61% per annum that came with a maturity date of 30 September 2025.

Mr and Ms S subsequently opened current accounts with Virgin Money, so as to qualify for the fixed term exclusive ISA. However, Mr and Ms S were unhappy because they would not earn the full amount of interest, if they paid money into the account after 30 September 2024.

Unhappy with this Mr and Ms S complained to Virgin Money. Mr and Ms S said that Virgin Money was potentially misleading consumers into thinking they were getting a better rate of interest than they actually were, by allowing consumers to open the account after 30 September 2024.

Virgin Money didn't uphold Mr and Ms S's complaint about the savings account. But it did pay Mr and Ms S £100 compensation due to the inconvenience caused to them in raising their complaint and also in asking for their recently opened accounts to be closed down.

After Mr and Ms S referred their complaint to this service, one of our investigators assessed the complaint but they didn't uphold it. In summary, they didn't think that Virgin Money had provided Mr and Ms S with misleading information about the savings account.

Mr and Ms S disagreed with the investigator's assessment, so the matter was referred for an ombudsman's 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.

Having reviewed everything, I don't uphold this complaint. I will explain why.

To help me decide this complaint, I have looked at archived versions of Virgin Money's website from when the ISA in question was still available. I have done this to understand what Mr and Ms S were likely to have seen when they applied for the account and to determine if Virgin Money had presented the features of the account to Mr and Ms S in a misleading way.

When clicking on the “View Account” button for the specific account in question, in a large red box at the top of the screen it says in large font:

*“1 Year Fixed Rate Cash ISA Exclusive”.*

Underneath this on the right-hand side in a large blue box it says:

*“Fixed rate of  
4.61%  
Aer<sup>1</sup>/ tax-free<sup>3</sup> PA*

*Maturity date: 30/09/2025  
[View Summary Box](#)”*

So based on the above, I’m satisfied that it was made clear - without needing to read any fine print or terms and conditions - that the account offered an annual interest rate of 4.61% and that the interest rate was fixed for 12 months, with a set maturity date of 30 September 2025. So in turn, I think it was made clear to Mr and Ms S that that they would not earn the maximum amount of interest possible, if they opened the account or paid money into it after 30 September 2024 - as the money would not have been in the account for a full year by the maturity date.

Furthermore, when I clicked on the ‘View Summary Box’ link it said:

*“What is the interest rate?*

<i>Issue</i>	<i>Annual Interest % Tax-free<sup>3</sup></i>	<i>Annual Interest % AER<sup>1</sup></i>	<i>Maturity date</i>
<i>16</i>	<i>4.61%</i>	<i>4.61%</i>	<i>30 September 2025</i>

*Interest is calculated daily on your balance and paid to your account at the end of the fixed term. Or when you close your account, if that's earlier.*

***Please note:*** *Depending on when you open your account, the fixed term may not be a 12 month period. The fixed term will always end on the maturity date and the maturity date will not change.”*

So again, without having to read any small print and only looking at the basic summary information, Virgin Money made it clear that interest is calculated on a daily basis. And it was spelled out in no uncertain terms that, due to the fixed maturity date, the fixed term may not be a full 12-month period, depending on when they open the account.

In my view, I don’t think this information was misleading and I think it was made reasonably clear to Mr and Ms S how the account operated.

I have also read the Key Product Information and again all of the above is made clear within that document too. As such, I can’t reasonably say that Virgin Money provided Mr and Ms S with incorrect or misleading information about the above savings account.

Once Mr and Ms S realised that they would not earn the maximum amount of interest possible if they paid money into the account after 30 September 2024, they chose to move their money elsewhere. Mr and Ms S say that they subsequently missed out on an equivalent interest rate with another provider and have asked that Virgin Money cover the difference.

I'm sorry to hear about this. But I can't see that Virgin Money had provided Mr and Ms S with misleading or incorrect information about the ISA they'd opened. So I don't think it would be appropriate to say that Virgin Money can be held accountable, or should reimburse Mr and Ms S for missing out on another ISA deal.

Mr and Ms S clearly did experience inconvenience in applying for the various accounts with Virgin Money and then moving their money to another provided. But I think the £100 already paid by Virgin Money is fair compensation in the circumstances, especially as I can't see that it had acted unfairly or unreasonably towards Mr and Ms S regarding their ISA.

Because of this, I don't think that Virgin Money needs to do anything more in relation to this complaint.

### **My final decision**

Because of the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Ms S to accept or reject my decision before 9 April 2025.

Thomas White  
**Ombudsman**