

The complaint

Mr B complains about how Clydesdale Bank Plc trading as Virgin Money handled transferring his ISA funds to another provider. He is unhappy with the time it took and with the service provided.

What happened

A summary of what happened is below.

In April 2025, Mr B wanted to transfer his ISA from Virgin Money to another provider. A paper-based transfer was completed and sent to Virgin Money on 22 April, after an initial transfer had been abandoned.

After submitting the request, Mr B contacted Virgin Money to find out the status of his transfer, as the funds hadn't reached their destination. His new provider also contacted Virgin Money about this. Virgin Money checked its records and said it had sent a cheque for the funds on 29 April. The cheque arrived with the new provider on 20 May.

Mr B complained about Virgin Money's handling of his request; he didn't think it had completed the transfer within the prescribed timescales, and this had contributed to him losing interest on the funds. He believed the cheque should have been sent tracked delivery. However, Virgin Money said it hadn't found any delays in carrying out its side of the transfer and had responded to the new provider's enquiries in a timely fashion. Mr B wasn't happy with this. He thought it could have done more to help, finding it unresponsive and inactive when he and his provider had tried to chase the funds. He referenced an inappropriate comment made by one of its agents in relation to the cheque when they'd said, "*these things turn up*". He wanted Virgin Money to raise a new complaint about its customer service, but the case handler said they couldn't do this as it wasn't Virgin Money's process, and further issues would be added to the existing complaint.

In an updated response, Virgin Money acknowledged some of the calls with Mr B hadn't met with its standards. It apologised and said it had provided feedback to staff. However, it maintained there was no error with the transfer as set out in its first response.

Mr B wanted us to take a look, but an investigator didn't think Virgin Money needed to do more. She agreed with its analysis that it hadn't caused any delays, because it had sent the funds shortly after receiving the instruction. This was by cheque, and whilst she appreciated Mr B's concerns that the cheque should have been sent by recorded delivery, she explained there wasn't a requirement on Virgin Money to do that or to stop the cheque and send the funds electronically (in the absence of an instruction from his new provider). The investigator went onto say that she'd listened to the calls Mr B had provided. And whilst these could have been handled better, the apology and feedback were a fair way to resolve this. She didn't agree Mr B had been caused any detriment in bringing his complaint.

Mr B disagreed with the conclusions. He highlighted Virgin Money had acknowledged its customer service in the calls had been poor. He maintained he'd been treated unfairly with the ISA transfer and asked that we get information from the other provider to reach a

balanced 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.

It's clear that Mr B feels strongly about his complaint. I have read and considered everything that he's provided. As an informal dispute resolution service, we are tasked with reaching a fair and reasonable conclusion with the minimum of formality. In doing so, it's not necessary for me to respond to every point made, but to concentrate on what I consider to be the crux of the issue. Having done so, I'm not upholding this complaint, and I'll explain why.

The starting point here and for the sake of completeness, is the paper transfer dated 22 April. I've looked at Virgin Money's records and there's nothing to show that this was received any earlier than 25 April. The records also show a cheque being issued on 29 April to Mr B's new provider. Under relevant rules, the old ISA manager has up to 5 working days to deal with the transfer at its end. Virgin Money's says that it processed the request and sent a cheque on 29 April, so this was within the prescribed timeframe. Because this was a manual application, in other words, a paper application, Virgin Money says its process is to send the balance by cheque, unless instructed otherwise. On this, the cover letter from the new provider accompanying the transfer form said, "*Please make cheques payable to [anonymised] RE customer name*". Given all of this, I think Virgin Money correctly followed its process, particularly as there wasn't an instruction to do anything else.

The new provider didn't get the cheque until 20 May, and I understand why Mr B was concerned – this was a significant sum of money, but there's nothing to indicate Virgin Money didn't send the cheque promptly. I've listened to what he has said about sending the cheque by tracked delivery, but ISA guidance states first class post is acceptable. Furthermore, sending items by ordinary post has been a long-accepted means of getting things from A to B.

I've gone on to look at the communications between Virgin Money and the other provider. As part of my review, I sought information from the other provider, and this wasn't any different to what we already had. These show the new provider submitting on 30 April that it had sent the transfer on 22 April and it is waiting on when it will receive the transfer. Virgin Money replied to that message on 1 May, which was the next day, to say that a cheque had been sent on 29 April and to allow time for that to be received. I don't consider Virgin Money were unresponsive.

The other provider got in touch again on 14 May to ask whether the cheque had been sent by recorded delivery and if so, was there a tracking number. Virgin Money responded around ninety minutes later to say that it didn't use recorded delivery but said that if the payment still hadn't been received, it could stop the cheque and reissue a new one or send the payment another way, if the provider could give payment details and let it know.

The other provider thanked Virgin Money for a quick response and said that because there had been a bank holiday, it will give it a few more days. The cheque then arrived on 20 May.

Weighing everything, I wouldn't have reasonably expected Virgin Money to do anything different, having sent the payment. Not unless instructed to, by the new provider. Based on the available evidence, I haven't found an error with how Virgin Money handled the transfer.

Turning to the customer service. Not everything that isn't handled well warrants compensation. To find compensation is appropriate in a case, I'd need to be satisfied what

the business did lead to material distress and/or inconvenience. However, I consider much of Mr B's upset stemmed from him feeling anxious about the whereabouts of the cheque and it reaching his new provider. And I've already explained why I don't think Virgin Money made an error with the transfer. I haven't found the agent's comments wrong either. They were genuinely trying to reassure Mr B that the cheque would arrive (as indeed it did). In terms of Mr B wishing to raise a separate complaint, strictly speaking, complaint handling on its own isn't a financial activity, so I think there is a potential question over whether this complaint point is something we have the power to consider under our rules. But even if this is something we could look at, Virgin Money didn't ignore Mr B's concerns. His concerns were added to his existing complaint to be reviewed, and he was issued with an updated response, which still allowed him to refer his complaint to us for an independent review.

All things considered, I'm not going to require Virgin Money to do anymore. I realise Mr B will be disappointed with this outcome, but this now completes our review of his complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 22 December 2025.

Sarita Taylor
Ombudsman