

The complaint

Mr C complains Clydesdale Bank Plc trading as Virgin Money rejected a request to transfer £1,000 from his ISA to another business claiming he had insufficient funds. He's also unhappy about his complaint being mishandled and delays on Virgin Money's part.

What happened

Mr C has an ISA with Clydesdale Bank Plc trading as Virgin Money. He has ISAs elsewhere including an ISA with a bank who I'll refer to as "B" throughout the rest of this decision.

In July 2024 Mr C tried to transfer £1,000 from an ISA he had with Virgin Money to B. He says his transfer was rejected and another one was set up – without his authorisation – and this was also rejected. He complained to Virgin Money and to B.

Virgin Money looked into Mr C's complaint about it and said that B was almost certainly responsible for both transfers failing. Virgin Money said that B hadn't specified the amount to be transferred when making the second request and that this was why it had been rejected on the grounds that "insufficient funds" were available. Virgin Money said that the second request would have gone through had B requested £1,000 as he would have had more than sufficient funds. Virgin Money accepted that it could have handled Mr C's complaint better and that it didn't deal with his subject access request as quickly or accurately as it should have done. So, it offered Mr C £175 in compensation.

B looked into Mr C's complaint about it and offered compensation – £75 – having accepted that he'd received poor service.

Mr C was unhappy with the responses he'd received from Virgin Money and B saying that they were, amongst other things, contradictory. So, he complained to our service.

One of our investigators looked into Mr C's complaint about Virgin Money and agreed that it wasn't responsible for either of the transfers failing. Another investigator looked into Mr C's complaint about B and initially didn't uphold it.

Mr C was unhappy with the outcomes he received saying that they were inconsistent and that our investigators should discuss their respective findings with each other. For example, our second investigator's finding that Mr C hadn't authorised the second transfer request. Because he wasn't happy with the outcomes, we explained to Mr C that both of his complaints would be referred to an ombudsman for a decision. Both of his complaints were, as a result, 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.

In August 2025 I issued a provisional decision saying as follows:

"I agree with Virgin Money that it has provided poor service. More importantly, having

considered the impact this whole episode has, I agree that the £175 that Virgin Money has offered is fair and reasonable. So, that's the award I'm minded to make."

Both parties were invited to comment on my provisional decision. Neither had anything substantive to add. Having re-considered everything, I remain of the view that the £175 that Virgin Money has offered is fair and reasonable.

Putting things right

Based on what I've just said, I'm going to require Virgin Money to pay Mr C £175 in compensation.

My final decision

Clydesdale Bank Plc trading as Virgin Money has already made an offer to pay £175 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that Clydesdale Bank Plc trading as Virgin Money should pay £175 in compensation (less any amounts it has already paid) in full and final resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 31 October 2025.

Nicolas Atkinson
Ombudsman