

The complaint

Ms C complains that Clydesdale Bank Plc trading as Virgin Money didn't manage her cash ISA properly, and it gave her wrong information and poor service.

What happened

In June 2024 Ms C opened a new fixed interest rate cash ISA with Virgin Money. She gave instructions about how the new ISA should be funded from her existing Virgin Money accounts: just over £38,000 was to be transferred from a matured fixed rate ISA and £20,000 from a matured fixed rate bond.

On 1 July 2024 Virgin Money wrote to Ms C confirming that the new ISA had been opened and the opening balance was £20,000. Ms C phoned to query this. She was very worried about what had happened to the money from her matured ISA which should have been transferred to the new ISA.

Ms C then made a complaint about what had happened and about the way Virgin Money treated her on phone calls.

Virgin Money said it didn't have a copy of the 1 July 2024 letter but it was sorry if that letter included the wrong information. It said the people Ms C had spoken to about this matter on the phone were genuine staff members, so there had been no fraud. It offered Ms C £25 compensation.

Ms C wasn't happy with that. She complained again about the service she received. Virgin Money eventually said it would look again at her complaint but didn't then do so. Ms C referred the matter to us.

Virgin Money told us it accepted it had made mistakes and its service had been poor. It increased its offer of compensation to £150. Our Investigator thought that was fair but Ms C did not, so the complaint has been referred to me to decide.

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.

Ms C was understandably concerned to receive confirmation of an ISA opening balance of almost £40,000 less than it should have been. However, Virgin Money assured her when she called that the balance of her previous ISA had also been transferred. This had simply happened a few days after the first £20,000 transfer. Virgin Money also wrote to Ms C on 18 July 2024 confirming the correct full balance in the ISA of £58,070.74 and the dates each part of that balance had been transferred.

This doesn't lead me to conclude that Virgin Money attempted to defraud Ms C out of her money, and nor does the fact that staff members didn't give Ms C their full names on phone calls. I do think however that Virgin Money's service was poor: it was unable to find a copy of

the 1 July 2024 letter, promised phone calls weren't made, it took nearly three months to acknowledge Ms C's letter of complaint and then failed to send its response, and it failed to send Ms C the £25 it had offered to pay.

I recognise that Ms C has found this whole matter frustrating and upsetting, and I've thought carefully about what she has said about the inconvenience, wasted time, and the costs of corresponding and phoning. I think she should fairly receive compensation in recognition of all of that – but I share our Investigator's view that £150 is fair and reasonable in all the circumstances. I'm satisfied that this is fair to reflect the impact of what went wrong and is in line with our usual approach to awards of compensation.

My final decision

My final decision is that Clydesdale Bank Plc trading as Virgin Money has made a fair offer to put things right. It should pay Ms C £150 if she accepts this final decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 19 December 2025.

Janet Millington
Ombudsman