

The complaint

Mr W complains that Clydesdale Bank Plc (trading as Virgin Money) rejected his ISA transfer request due to a difference in names on the ISA transfer form. He complains that the rejection was unnecessary and Virgin Money have provided poor customer service when trying to sort the issue.

What happened

Mr W completed an ISA transfer form for his new ISA provider. On the form he wrote his full legal name. When Virgin Money received the transfer request the name detailed on the form didn't match the name they held on their system. As a result, the ISA transfer request was rejected.

After a short while, Mr W got in touch via online messaging with Virgin Money to find out what was going on. He chose the option 'complaint' but later received a message back saying that ISA transfers couldn't be considered via that forum and he was provided with a freephone telephone number instead.

Mr W called Virgin Money. He was on hold for a period before being passed to a call handler in the ISA team. Once he spoke to the call handler, he was informed that the ISA transfer had been rejected because of the difference in names. The call handler informed Mr W what steps he would need to take to change his name on their system, before being allowed to complete the ISA transfer.

Mr W was unhappy with this response, so he complained. Virgin Money issued a final response letter to Mr W explaining why they rejected the ISA transfer (the names did not match). They encouraged Mr W to get in touch with them and his new ISA provider to rectify the matter.

Mr W remained dissatisfied. He thought that common sense should've prevailed and Virgin Money should've honoured the ISA transfer. He said the difference in names was just an abbreviation and all other important information matched – such as national insurance number etc. He told Virgin Money he was seeking compensation and decided to refer his complaint to this Service.

One of our Investigators considered the matter, but she didn't think Virgin Money had done anything wrong. She said they'd followed their policies and procedures in rejecting the ISA transfer request. Whilst she recognised the name Virgin Money held was an abbreviation of the name the new ISA provider had – she agreed with Virgin Money that they did not match.

Mr W disagreed with the Investigators findings. He said that someone from Virgin Money should've contacted him to confirm he was genuinely making the ISA transfer request if they were concerned – not simply reject it. He also said he'd received poor customer service from Virgin Money when trying to sort the issue out. He complained about the wait times on the telephone and the steps he was being told to take to change his name.

Because an agreement couldn't be reached, Mr W asked for the complaint to be passed to an ombudsman 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.

I issued a provisional decision recently that said the following:

"I'd like to reassure both parties I've carefully read all the correspondence they've sent this Service. That being said, my decision won't address every point or comment raised. I mean no discourtesy by this, it simply reflects the fact our Service is an informal dispute resolution service, set up as a free alternative to the courts.

Considering Mr W's comments about punishing Virgin Money, I'd like to be clear that we are not the regulator. It's not the role of the Financial Ombudsman Service to punish businesses or consider whether compensation payments are sufficient to drive improvements in the service businesses offer. Our role is to consider specific complaints and where we identify errors, consider how we can best try to put the consumer back into the position they would have been in, had the errors not occurred.

Having looked at everything in the round, I don't think Virgin Money were unreasonable in rejecting Mr W's ISA transfer. But I do think they could've provided better customer service to Mr W when he queried the rejection – I'll explain why.

ISA transfer request

Neither party is disputing that a different name was detailed on the ISA transfer request, to the name Virgin Money held on their systems. Mr W says when he opened his account with Virgin Money he applied for it using the name that he is mostly called day to day. However, when he opened his new ISA he used his full, legal name. Mr W says he uses the two names interchangeably and the name his Virgin Money account was in, is a well-known abbreviation of his full name. As such, he didn't consider this would cause any problems. Especially as all other details were the same.

I asked Virgin Money if there was any manual intervention when rejecting Mr W's ISA transfer. They confirmed there wasn't and it was automatically rejected because the names did not match. When they rejected the transfer request, they explained this was due to 'information mismatch' and provided the rejection reason to the new ISA provider. They explained it was for the new ISA provider to let Mr W know the transfer had been rejected – not them.

Whilst I understand it's frustrating that the ISA transfer request was rejected by Virgin Money – I do not think they were unreasonable in doing so. Virgin has explained all information must match for security purposes and to ensure a smooth transfer, and, in this instance, there was a difference with the name. I take on board what Mr W has said about one name being an abbreviation of the other and common-sense prevailing – but because there was no manual intervention, I cannot agree Virgin Money have done something wrong.

Customer service issues

I've reviewed the correspondence between Mr W and Virgin Money after the request was rejected – including the telephone call Mr W had in April 2025.

I agree that it hasn't always been clear or apparent what steps Mr W needs to take to change his name and enable the transfer request to be successful. Mr W also encountered delays and was on hold for quite a while, while the Virgin Money call agent asked for advice on what he needed to do next.

As I understand it, Mr W needs to initiate a name change with Virgin Money and has been told he must provide a marriage certificate/deed absolute or deed poll as evidence of name change. However, because Mr W hasn't legally changed his name, he won't be able to provide this. So, I don't think it's reasonable that Virgin Money is asking him to provide these documents in order to change his name. I accept Virgin Money need to request information from Mr W to satisfy themselves that he is the same person that opened the ISA account originally. So, I think it is reasonable for them to request some identification documents, but I think they need to clearly outline which documents they require from Mr W, that he can reasonably provide, in order to resolve this discrepancy and allow him to amend his name.

I've thought about the impact the customer service issues have caused Mr W. I think the initial inconvenience was caused by the ISA transfer request being rejected – which as I've explained above, I do not find Virgin Money at fault.

However, I do think that Virgin Money could've been more helpful in sorting this issue out for Mr W and provided clear next steps on how he could update his name – not simply pushing him down a process that he wasn't able to fulfil. Given the distress and inconvenience this has caused Mr W, I'm intending to ask Virgin Money to pay £100 compensation.

I appreciate Mr W thinks he should get more compensation. But that's because he thinks Virgin Money shouldn't have allowed him to open the account in his abbreviated name to then reject the transfer. But I think it's reasonable that they opened the account in the name he provided at the time, and I do not think Virgin were at fault for rejecting the transfer request. As such I do not consider it fair to ask them to pay compensation for rejecting the ISA transfer request."

I gave both parties the opportunity to respond to my provisional decision. Mr W did, but Virgin Money didn't.

Mr W disagreed. In summary, he said Virgin Money had access to all his information with HMRC and so was aware of his full forename. He argues that they were happy to open the account in the abbreviated name and did not raise the anomaly with HMRC or himself. He says that it's unfair for them to rely on the 'mismatch' when rejecting the ISA transfer.

He also says Virgin Money missed an opportunity to rectify the matter when the ISA transfer was received. He says there must've been a criteria list for them to cross reference when rejecting the ISA – and they should've contacted him directly.

Lastly, he disagreed with the £100 compensation awarded. He said he was happy to provide a copy of his passport to ensure his name matches. But he thinks the compensation should be increased to reflect the consequential time he has input and the volume of correspondence he has had to submit. He has likened the time and effort required to that of a solicitor.

I've thought about what Mr W has said, but it hasn't changed my mind. I've explained why

below:

I understand Mr W's concerns that he was allowed to open the ISA with Virgin Money using his abbreviated name – only for his ISA transfer to be rejected because the names didn't match. But I do not think it was Virgin Money's responsibility to ensure Mr W used his full legal, forename when opening the account – I think that was his responsibility. Virgin Money have confirmed they opened the account in the name Mr W requested. Whilst Virgin Money would have reported information about the ISA to HMRC, my understanding is that they are not responsible for cross referencing the name they held with HMRC's records to confirm accuracy.

In any event, the opening of the ISA account and the rejection of the ISA transfer have separate processes, and the implications are different.

As explained in my provisional decision, Virgin Money have confirmed there was no manual intervention when the ISA transfer was rejected. They've said the names must match exactly for the transfer to be accepted, otherwise the system automatically rejects it. Virgin Money have said this is for security reasons, which seems reasonable as they must ensure their customers money is kept safe. Taking all of this into account, I'm still not convinced Virgin Money did anything wrong by rejecting the ISA transfer and letting the new ISA provider know the reasons why.

Lastly, I understand Mr W doesn't agree with the compensation I have awarded. But for the reasons I've explained above, I do not think Virgin Money did anything wrong when setting up the ISA or rejecting the ISA transfer.

I acknowledge the customer service Mr W received after could've been better and more helpful. So, the compensation is to recognise the distress and inconvenience caused for that. And whilst I appreciate Mr W has taken time and effort out of his day(s) to try and sort this problem, I'd also note we are free to use service and that some of the time and energy he's spent has been to raise a complaint point which I haven't upheld. I understand he will be disappointed with my outcome, but taking everything into account, I'm satisfied the award I've made is reasonable in the circumstances.

My final decision

For the reasons I've explained above, I'm upholding this complaint. Clydesdale Bank Plc trading as Virgin Money should do the following:

- Outline which identification documents they require from Mr W to update his current ISA account to his full legal name, ensuring these are documents he can provide.
- Pay £100 compensation to Mr W for the customer service issues and delays he encountered when trying to sort this problem.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 13 February 2026.

Rachel Killian
Ombudsman