

The complaint

Mrs W complains that Clydesdale Bank Plc trading as Virgin Money misled her about being able to open a savings account with money from her current account.

What happened

Mrs W had previously opened a Virgin Bond only to be informed that to transfer money from her current account into the bond she would need to go into a branch with some ID or send a request through the post. This was not convenient for her, so when she wanted to open a defined access saver account she went into an online chat with Virgin so that she wouldn't waste her time. In the chat she told the adviser how much she wanted to transfer into the account and she was told she would be able to do this from her current account.

However when Mrs W opened the savings account she found that it was not possible to carry out an online transfer between her current account and the savings account. She felt she had been misled and made a complaint to Virgin.

Virgin explained that her current account was "read only" and she could not do an online transfer to the savings account. It explained that her options were to call the contact centre and transfer an initial £500 and then transfer the rest of it after 72 hours. Or she could call into a branch with ID or make an application by post. It did not think that its adviser had misinformed her as he'd simply asked how much she wanted to transfer and agreed this could be done. He would have gone into the procedures had Mrs W asked further questions.

On referral to the Financial Ombudsman Service our Investigator didn't think that Virgin had made a mistake or had treated Mrs W unfairly.

Mrs W did not agree and asked for an Ombudsman's decision. The matter has been passed to me for further consideration.

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.

Mrs W has confirmed that she's not querying the terms and conditions of her account or procedures for transferring money into the savings account. She is simply saying that she was misled by Virgin's adviser. She had contacted Virgin specifically to ask if she could transfer money out of her current account into the savings account and she believes that that is what Virgin's adviser told her she could do.

I appreciate that the options for transferring money into the savings account are more inconvenient than just being able to carry out a transfer online. And I can understand that given Mrs W's previous experience of trying to put money into a bond, that she would have wanted to know that she could carry out an online transfer before opening the account.

To decide whether Virgin acted reasonably here or whether it did in fact mislead her I have

objectively considered the transcript of the chat. I bear in mind that the adviser did not know the reason Mrs W was asking about putting money into the savings account. So he would not have been aware that she would have found the options of transferring the money to be too inconvenient for her.

The first question Mrs W asked was: *"I have a Virgin Essential Current Account. Can I use some of the money in this account to open a defined access e-saver account?"*

The response was: *"Yes you can. How much are you looking to transfer?"*

Mrs W said the amount.

The adviser responded *"That is great. Yes you can use your Essential CA to fund the account."*

Mrs W responded *"Great. That's all I needed to know."*

And the chat ended there. I can see the parties were talking at cross purposes. Whilst Mrs W wanted to know if she could do online transfers between the two accounts the way she put the question to the adviser appears to me to indicate that she wanted to know if she could use money from her current account to fund the savings account. And the adviser told her that she could. I appreciate that the adviser asked her how much she was going to "transfer" but as there were different options of doing this, any transfers from a Virgin current account could not be done online.

I'm sorry that Mrs W was caused a lot of stress which took up a substantial amount of her time. But as I've found that Mrs W did not specifically raise the question of doing a transfer online, although that was what she wanted to do, I can't find that Virgin's adviser misled her.

I'm aware that in the e-mail welcoming Mrs W to the savings account, it does say that transfers could be carried out between online accounts, but as the Virgin current account is not an online account (being "read only"), I don't think that was misleading either.

Mrs W also believes she had received a poor standard of customer service. She was fully aware that a business has eight weeks to issue its final response. However, she says not to advise her of a complaint reference number (repeatedly requested) until the final response letter shows how uninterested Virgin was in trying to engage her in communication and how little it appears to value her custom.

I appreciate that Mrs W was annoyed about this and that, although Virgin was allowed eight weeks to respond, her complaint was quite straightforward. I'm sorry she suffered this experience, but as Virgin has complied with the FCA (Financial Conduct Authority) rules on dealing with complaints I can't really take any further action in respect of its customer service.

So overall although I understand that Mrs W felt she was really asking the right questions I don't think that Virgin misled her. So I can't uphold the complaint.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 11 December 2023.

Ray Lawley
Ombudsman