

The complaint

Miss T complains that she wasn't able to make a withdrawal from her ISA held with Clydesdale Bank PLC trading as Virgin Money, by phone or on the app. She also complains about the service provided by Virgin, and about the delay in dealing with her complaint.

What happened

Miss T wanted to make a withdrawal from her ISA. She was aware that there would be a two-month interest penalty, so left it until the day before she needed the money. She attempted to make the withdrawal on her banking app but was unable to do so. So she telephoned Virgin in order to carry out the transfer over the telephone. We have been provided with recordings for 6 telephone calls which Miss T made on 2 July 2023. In the course of those calls Miss T had problems resetting her telephone PIN and the various advisers attempted to transfer her through to the ISA team. However it transpired that that team only worked until 1pm on Sundays (although the website said 4pm). During her last telephone call with Virgin, Miss T was advised that, with the type of ISA she had, the only way she could carry out a withdrawal was by post or by calling into a branch.

Miss T could not attend the branch but her partner managed to do so. He made a withdrawal from his own ISA.

Virgin said that it could not agree that any bank error had occurred as under the terms and conditions of her ISA Miss T could only make a withdrawal by post or by visiting the branch. It said that it had followed the correct complaints procedure and dealt with her complaint within two weeks.

On referral to the Financial Ombudsman Service, our Investigator said that he was not persuaded that there had been any failing or error on the part of Virgin.

Miss T disagreed and pointed out that her partner had encountered the same problems with Virgin, who had upheld his complaint and paid compensation.

I issued a provisional decision. In it I said I thought Miss T had to waste a lot of her time trying to get set up for telephone banking when ultimately she couldn't use it. I also said that if her complaint had been dealt with consistently with her partner's, she wouldn't have had to spend so much time pursuing it. I said I thought that Virgin should pay her £150.

Virgin accepted my decision. Miss T said she had no further points that she wished to add.

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.

My provisional findings are set out below, in italics.

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reasonable in the circumstances of this complaint.

Strictly speaking the complaints that Virgin Money addressed were Miss T's inability to make a withdrawal from the ISA by phone or on the app and the alleged delay in answering her complaint. However we look at the matter as a whole and I think it right to look at the information that Miss T was given and the service she was provided with in attempting to make her transfer.

I've seen the letter that Virgin sent to Miss T's partner when addressing his complaint. I fully accept that the complaints relate to different accounts and therefore should be treated separately. But I think it's significant that Virgin referred to the various phone calls Miss T had made which ultimately prompted her partner to go and visit the branch. As I see it, Virgin made the following findings which I think can reasonably be applied to Miss T's complaint:

Miss T was initially given incorrect information by its advisers. This will be addressed with the relevant advisers and where necessary retraining will be given.

The bank staff should have initially asked what kind of ISA Miss T's partner had so that they could advise if the product had the feature of being able to make withdrawals by phone or online.

Feedback will be given to the ISA team about the wording on the various fact sheets with a view to making it clearer. They would also be asked to make clear their opening times.

It awarded £100 compensation.

Miss T said she expected to be able to use the telephone or the app to make transfers. She's shown us the letter she received when she opened the account. This refers to the customer being able to enjoy 24 hour banking using the mobile app, online services or telephone banking. On the other hand the key product information sheet for this particular

ISA states that the customer could take money out by "writing to us or talk to us in store". So the generic fact sheets don't make clear that 24 hour banking doesn't apply to all products, and Virgin has agreed that this will be looked at. But I don't think that Miss T was misled into buying the product.

With regard to the various telephone calls Miss T made to Virgin, I think the point that Virgin made about its bank staff's knowledge of its product must equally apply to its advisers over the phone. Whilst Miss T did not set out exactly what product she had in her various calls to Virgin, I don't think she could have been expected to know that different rules applied to different ISAs. Conversely I think Virgin's advisers should have been alert to that idea, and have given their responses accordingly. As such, if the first adviser had asked Miss T what type of ISA she had, she would not have wasted her time trying to set up telephone banking and/or trying to be put through to the ISA team.

On the point of Virgin's complaints handling, I can look at this as it was part of Miss T's

overall complaint. I think it responded to her complaint promptly and well within the eight weeks allowed. But I do think that it hasn't been consistent in rejecting Miss T's complaint whilst upholding the complaint her partner made on the same issues.

Overall whilst I can't expect Virgin to change its processes, I do think Miss T had to waste a lot of her time trying to get set up for telephone banking when ultimately she couldn't use it. I also think that if her complaint had been dealt with consistently with her partner's, she wouldn't have had to spend so much time pursuing it. I think that Virgin should pay her £150

compensation.”

As both parties have no further comments to make, I remain persuaded by my provisional findings. Those findings are now final and form part of this final decision.

Putting things right

Virgin should pay Miss T £150.

My final decision

I uphold the complaint and require Clydesdale Bank Plc trading as Virgin Money to provide the redress set out under “putting things right” above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss T to accept or reject my decision before 8 January 2024.

Ray Lawley
Ombudsman