

## The complaint

Mrs D complains Clydesdale Bank PLC trading as Virgin Money (Virgin) provided poor service when dealing with the maturity of her fixed rate ISA.

## What happened

Mrs D says she held a fixed rate Individual Savings Account (ISA) with Virgin which matured in late October 2022. Mrs D explained her husband deals with her accounts and says he gave instructions online to reinvest the ISA into a new fixed interest rate product offering 3.7%, albeit two days after the deadline.

Mrs D says she heard nothing further from Virgin and assumed it had carried out her instructions, but when she next viewed her ISA account online in August 2023 she discovered her ISA had been placed in an E Access ISA with an interest rate of 0.25%.

Mrs D says Virgin never contacted her following her renewal instructions and if she had missed the deadline date to reinvest, it should have informed her of that and also what had happened to her maturing ISA funds. Mrs D says Virgin haven't explained why it allowed her husband to go through the process of reinvesting her maturing ISA when the deadline had passed. Mrs D says Virgin have been negligent in safeguarding her savings and wants Virgin to recalculate her interest at 3.7%.

Virgin says it sent Mrs D a maturity letter and email in mid October 2022, which clearly explained what actions needed to be taken before the cut-off date of 23 October 2022. Virgin says while its records show the account was accessed online on 10 October 2022 and 25 October 2022, no renewal instructions were received from Mrs D so the account, in line with the maturity instructions it had sent, reverted to an E Access ISA.

Virgin says its systems are unable to accept instructions after the cut-off date and it would not notify Mrs D of the change in interest rate as detailed in the terms and conditions of the account. Virgin says her ISA was an online product and it's Mrs D's responsibility to manage her personal savings. Virgin says it has done nothing wrong here.

Mrs D wasn't happy with Virgin's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator says it's clear that any instructions Mrs D may have given were after the cut-off date, but Virgin had provided Mrs D with sufficient notice of the maturity date and the actions she needed to take. The investigator says Virgin provided evidence to show Mrs D was advised what would happen if it didn't receive any maturity instructions from her, before the cut-off date, and this would mean the maturing account would be converted to an easy access ISA.

The investigator says he couldn't see any evidence of issues with Virgin's systems and couldn't see it had made any mistakes here.

Mrs D didn't agree with the investigator's view and asked for the matter to be referred to an

ombudsman for a final decision.

### **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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would be frustrating and upsetting for Mrs D to learn her ISA had been reinvested at a much lower interest rate, when she believed instructions had been given to Virgin to reinvest into a fixed rate ISA at 3.7%.

When looking at this complaint I will consider if Virgin acted reasonably when it reinvested Mrs D's maturing ISA into an E Access ISA at 0.25%.

Both parties have provided this service with comprehensive details of the course of events and while that has proved helpful, I won't be commenting on every point made as I don't feel it's necessary in order to come to a full and impartial decision here. That's not to say I haven't considered everything said – I have.

The first thing to say here is Mrs D has accepted that she hadn't provided maturity instructions prior to the cut-off date of 23 October 2022. Mrs D says her husband, who deals with her accounts on her behalf, did input maturity instructions online on 25 October 2022. Mrs D makes the point if that was beyond the maturity date, Virgin should have informed her of this at the time and not allow the renewal instructions to be input. Mrs D says she never received any advice from Virgin informing her that the ISA had been reinvested into the E Access ISA offering only 0.25% interest and if it had, she would have moved the investment elsewhere for a better interest rate.

While I understand the points Mrs D makes here, I'm not fully persuaded by her argument. I say this because from the information I have seen, Virgin did provide a maturity letter and email in mid October 2022 which clearly explains not only the cut-off date, but the options available and what would happen to her investment if no renewal instructions were received by 23 October 2022 – meaning the funds would default to an E Access ISA.

While Mrs D says her husband input renewal instructions on 25 October 2022, Virgin have confirmed this would not have been possible as its systems would not allow it. With that in mind, given by the time Mrs D's husband said he'd provided instructions to reinvest the maturing ISA onto a further fixed rate product, this offering had already passed at 6pm on 23 October 2022 so it's not clear why Mrs D believed her application had been successful. It's also worth saying there's no evidence to show any such instructions were input online on 25 October 2022 and Virgin have provided this service with electronic log in records that seem to confirm this.

What is clear is Virgin did provide Mrs D with maturity instructions and details of what would happen to her ISA on maturity if no renewal instructions were provided by the cut-off date. Mrs D has made the point she didn't receive any maturity confirmation of her new E Access ISA, but this information was provided to her previously within the maturity letter as it included a key product information link for the E Access ISA and the terms of that product.

It's also fair to say Mrs D is responsible for the management of her investments and had access to her ISA online but chose not to review this until August 2023, so while Mrs D may not agree I can't say Virgin should change its processes to additionally advise its customers

of the default ISA product, given it had provided that information in earlier emails and letters.

While Mrs D will be disappointed with my decision, I won't be asking anymore of Virgin.

**My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 10 April 2024.

Barry White  
**Ombudsman**