

The complaint

Mr S has complained that Clydesdale Bank Plc, trading as Virgin Money, unfairly closed his credit card account.

What happened

Mr S held a credit card account with Virgin Money, but discovered it had been closed. Virgin said it had emailed him, requiring him to take certain steps, if he wanted the account to stay open. Mr S has explained he didn't receive these emails, or he'd have taken the steps required.

Virgin Money offered Mr S £50 compensation. But it said the account had been closed in line with its terms and conditions, and emails had been sent.

One of our investigators looked into what had happened. He was satisfied that it had been reasonable of Virgin Money to decide to close the account, as there had been no activity on it for an extensive period. But he said he'd expect to see that it had engaged with Mr S about this.

Our investigator said that Virgin Money sent Mr S two emails, one in June 2024 and the other in August 2024. Although the original emails aren't available, he'd been provided with the templates and audit trails for both these emails, showing they were sent to Mr S's correct email address. These outlined the intentions about the automatic account closure and explained what actions could be taken should Mr S wish to keep the account open. These emails also set out the deadlines by when action should be taken and the date of automatic closure. The same audit trail showed another email that was sent on 1 November 2024 detailing the account being closed, and this was sent to the same email address and was opened. Therefore, he felt he could fairly rely on the audit information for the two previous emails.

Virgin Money has explained that an account closure email initially wasn't sent, so sent this again on 1 November 2024. Virgin Money offered £50 for the distress and inconvenience for this email not being sent. Our investigator thought this was fair. The fact this email wasn't sent initially, doesn't mean the two emails of July and August were also not sent. The audit trail shows all three emails were sent.

Mr S disagreed. In summary, he said he'd indicated when he opened the account that he wanted to be contacted by phone, letter and email. And he didn't think Virgin Money had provided sufficient proof of the emails being sent.

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 agree with the outcome reached by our investigator, and for the same reasons he gave. I'm satisfied that the terms and conditions of the account allow for email

communication. And I don't think it was unreasonable for Virgin Money to use this method. The audit trail shows emails were sent before the account was closed, and I think the audit trail can reasonably be relied upon. I have no reason to doubt its authenticity.

That said, an email saying the account had been closed wasn't initially sent, so had to be sent again. Virgin Money has offered £50 for this error. I think this is fair, and in line with what I'd have awarded.

My final decision

For the reasons given above, it's my final decision that the £50 offered by Clydesdale Bank Plc, trading as Virgin Money, is fair. I leave it to Mr S to decide whether to accept it, if he hasn't already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 May 2025.

Elspeth Wood
Ombudsman