

## **The complaint**

A limited company, which I'll refer to as 'A', is unhappy that Clydesdale Bank Plc, trading as Virgin Money, transferred its account to a debt collection agency ("DCA").

A's complaint is brought to this service by its director, whom I'll refer to as 'Ms K'.

## **What happened**

A held a Bounce Back Loan ("BBL") with Virgin. Ms K raised a complaint with Virgin on A's behalf as she was unhappy that Virgin had transferred A's BBL to a DCA. Virgin responded to A's complaint but didn't feel they'd done anything wrong by transferring A's loan to the DCA. Ms K disagreed, so she referred A's complaint to this service.

One of our investigators looked at this complaint. But they noted that Virgin's right to transfer A's account to a DCA was stipulated in the terms and conditions of the BBL, which A's directors had agreed to and accepted when A received the loan.

Because of this, our investigator didn't feel that Virgin had acted unfairly as Ms K contended. Ms K wasn't satisfied with our investigators view of this complaint, so the matter was escalated 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 note that Ms K has provided several detailed submissions to this service regarding A's complaint. I'd like to thank Ms K for these submissions, and I hope she doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead, I've focussed on what I consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Ms K notes that I haven't addressed a specific point she's raised, it shouldn't be taken from this that I haven't considered that point – I can confirm that I've read and considered all the submissions provided by both A and Virgin. This means that will I have considered that point, but don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

I make these opening remarks because it's clear that much of Ms K's dissatisfaction arises from the personal impact she feels that Virgin's actions have had on her and the other directors of A. However, the rules by which this service must abide – which can be found in the Dispute Resolution ("DISP") section of the Financial Conduct Authority ("FCA") Handbook – include a strict definition of who can, and who cannot, be considered as an eligible party to a complaint by this service.

In this instance, the eligible party is A, the limited company. This is because the complaint arises from an account – the BBL – that is held by A in its name. This means that Ms K and

her fellow directors are not eligible parties to this complaint in their personal capacities.

One consequence of this is that I can't consider any personal upset or frustration that the directors of A may have experienced. Instead, I can only consider the impact of what has happened on A, the limited company. And while a person, such as Ms K, can be upset or frustrated, a limited company cannot.

This isn't to say that Ms K and her fellow directors haven't been personally impacted by what has happened here. Indeed, given the unquestionably upsetting personal circumstances that Ms K has described, including the death of one director and another director suffering a severe stroke, I readily accept that Ms K and her fellow directors would have been personally impacted by events taking place at such a difficult time.

However, it is to say that any personal impact that A's directors may have experienced isn't something that I have the remit or the authority to consider here. As explained, this is because this is A's complaint against Virgin, and isn't a complaint raised in the personal capacity of A's directors. And because of this, the personal dissatisfaction of A's directors doesn't fall within the scope of eligibility for this complaint.

Ms K may ask why this complaint has been raised in the name of A, and not as a personal complaint made by A's directors. This is because, as I detailed above, A is the eligible complainant here, because the account from which the complaint arises – the BBL – is in A's name. This means that the A holds the relevant relationship with Virgin so that it qualifies as an eligible complainant. But it also means that A's directors, in their personal capacities, do not hold the relevant relationship to qualify as eligible complainants – because the complaint does not arise from an account held in the personal names of A's directors

Ms K has also explained that she is unhappy with the conduct of the DCA, once A's account was transferred to them. Again, this isn't something that I can consider here, given that this is a complaint raised against Virgin and not the DCA. A separate complaint has been raised for A against the DCA. But to confirm, that is a separate matter, and I won't address that other complaint again in this review.

What I can consider here are the actions undertaken by Virgin regarding A about which Ms K is unhappy. Specifically, Mr K is unhappy that Virgin transferred A's BBL to the DCA. However, the terms and conditions of the BBL – which A's directors consented to and accepted when taking the loan – included that Virgin did have the right to transfer the BBL to a DCA under certain circumstances.

Upon review, I'm satisfied that the circumstances under which Virgin had the right to transfer the BBL to a DCA were met. And I'm also satisfied that Virgin didn't need any further consent from A to transfer the BBL to a DCA beyond the consent that A's directors had already provided when accepting the terms of the BBL.

All of which means that I don't feel that Virgin have acted unfairly towards A by transferring its BBL to a DCA. Instead, I feel that Virgin have acted in accordance with their rights as stipulated in the terms and conditions of the loan. It therefore follows that I won't be upholding this complaint or instructing Virgin to take any further or alternative action here.

I realise this won't likely be the outcome that Ms K and her fellow directors were wanting. But I hope that they will understand, given what I've explained, why I've only be able to consider one aspect of their overall complaint, and why I've reached the final decision on that aspect that I have.

**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 A to accept or reject my decision before 16 September 2025.

Paul Cooper  
**Ombudsman**