

The complaint

Mr C complains that Clydesdale Bank Plc trading as Virgin Money reported negative information to the Credit Reference Agencies (CRAs).

What happened

In April 2025, a charge of £94.94 was taken from Mr C's credit card. As I understand it, the amount was debited by a merchant who had changed a subscription for Mr C without his consent. Mr C says his app stopped sending him notifications, likely due to inactivity as he hadn't used the card in over a year, and so he wasn't aware of the charge or the arrears. He says he found out about it in early July 2025 and paid the full outstanding amount immediately. Mr C says he also contacted the merchant who admitted they'd charged him without his consent and refunded the amount it charged. However, Virgin Money hasn't removed the missed payment marker from Mr C's credit file.

Virgin Money responded to Mr C's complaint. In summary, it said it called Mr C about matters on 7 July 2025 to advise him about the arrears on the account, however he was unsure about completing security over the phone and asked to be called back on a trusted number. Virgin Money says it tried to call Mr C the following day, but Mr C remained concerned about security. Mr C called back later that day and a complaint was raised; Mr C also paid the balance at this time. Virgin Money says it tried to call Mr C the next day but was unable to get through, so left a voicemail explaining that the complaint wouldn't be upheld. Virgin Money said it was Mr C's responsibility to check and maintain his account in line with the terms and conditions.

Unhappy with the response, Mr C brought his complaint to this service. He explained that the action of reporting a missed payment was disproportionate, given that it was an unintentional oversight caused by a third party. He says his credit file has been impacted as a result, and he's been caused unnecessary stress and frustration.

An Investigator here reviewed matters and didn't recommend the complaint be upheld. In summary, she said that firms have an obligation to report factual information to the CRAs and in this case, she didn't think Virgin Money had made an error. She also said Mr C had a responsibility to monitor his account, and Virgin Money wasn't required to notify Mr C of its intention to record a marker on his credit file in advance of doing so.

Mr C disputed this position. In summary, he reiterated that the error was outside of his control; he immediately rectified matters when he became aware of what occurred; Virgin Money didn't provide written notification or an alert before the negative marker was applied; and the impact here was disproportionate considering this was a single charge which he promptly rectified.

Ultimately, an agreement wasn't reached and so the case was passed to me to decide. Following Mr C's request for an Ombudsman's decision, this service contacted Virgin Money informally to see whether it would remove the missed payment marker as a gesture of goodwill, given that it seems the payment was taken in error. However, Virgin Money didn't

agree to do so. Therefore, the next step is for me to issue a formal decision on the matter.

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.

In resolution of his complaint, Mr C has asked for the negative information recorded on his credit file to be removed. It's important for me to explain at the outset that I can only uphold a complaint where I find that the firm has done something wrong. With that in mind, whilst I understand this will be very disappointing for Mr C, I've not found that Virgin Money has made an error here. It follows that I won't be upholding this complaint; I'll explain my reasons why.

A transaction debited Mr C's account in April 2025. Virgin Money issued a statement in May 2025 which included this transaction from the previous month. The statement said Mr C needed to make the minimum required payment on the account by 10 June 2025. Mr C didn't make a payment to the account by the deadline. Subsequently, Virgin Money reported this to the CRAs in line with the terms of the account. Virgin Money has an obligation to report accurate information to the CRAs and, here, a payment on the account had been missed. Therefore, I don't think it acted unreasonably by reporting what had happened to the CRAs.

I appreciate Mr C says he didn't know about the payment because his app had likely stopped notifying him, given how long it had been since he last used his card. However, I've considered that Virgin Money notified Mr C of the payment that was due on his statement and when it was due by. And, it's important to note that Mr C also had an obligation to monitor his account activity. Therefore, I think Virgin Money did enough to make Mr C aware of the account activity and gave him sufficient opportunity to take action.

I understand Mr C pointed out that he wasn't notified about the marker before it was added. However, as outlined above, Virgin Money already notified Mr C of the requirement to make a payment by the deadline. I'm conscious that the terms of the account also outline the implications if a payment is missed, and that the information would be reported to the CRAs. Therefore, I think Virgin Money provided sufficient information in the circumstances, and I don't think it needed to notify Mr C before it added the marker.

Having not received a payment to the account, Virgin Money contacted Mr C in early July 2025 to make him aware of the arrears. Mr C initially suspected that the call was a phishing attempt, and so didn't continue with it at the time. However, upon realising that the contact was genuine the following day and understanding what had occurred, he paid the remaining balance immediately and raised a dispute.

I appreciate that Mr C took steps to remedy the problem as soon as he became aware of it, and that he says he has always maintained an excellent credit history. I've also considered that the merchant has since refunded the payment, which would support Mr C's argument that it was taken in error. However, the fact remains that a payment was due on the account which Virgin Money made Mr C aware of in a way that it's required to. Mr C didn't make a payment in time and so this was reported to the CRAs. I can only ask Virgin Money to remove the marker if it was added in error; having thought carefully about the circumstances, I'm not persuaded this was the case.

Therefore, whilst I'm sorry to disappoint Mr C, it follows that I haven't found that Virgin Money has made an error. So, I'm not upholding this complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 8 October 2025.

Hana Yousef
Ombudsman