

The complaint

Clydesdale Bank Plc, trading as Virgin Money, provided Miss E with a credit card in May 2022. It had a credit limit of £10,000. Miss E says the credit was provided irresponsibly.

What happened

The details of this complaint are well known to both parties, so I won't repeat them here. The facts aren't in dispute, so I'll focus on giving the reasons for my 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.

In reviewing this complaint, I've only considered matters that occurred before the final response letter was issued, in line with the rules this service must follow.

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website, and I've taken this into account in deciding Miss E's case.

I've decided the credit was provided fairly for the following reasons:

- I think the checks Virgin Money did before providing the credit were reasonable and proportionate given what it knew about Miss E's financial situation.
- Virgin Money considered information Miss E provided in her application, verified her income and gathered information from a credit reference agency, before agreeing to the credit card. Its checks suggested she had a sufficient disposable income after her essential spend and existing credit commitments. They also suggested Miss E was managing her accounts well, as there were no adverse markers reported.
- Based on the information Virgin Money gathered and what it knew about Miss E's circumstances, there was nothing to suggest she would be unable to sustainably repay the credit, even if the full credit limit was utilised.
- Miss E has argued that her situation with debt was challenging and she was regularly "juggling" debts. Whilst I do understand this, my decision is based on the information that was available to Virgin Money at the time of the application.

I've reviewed that information and completed my own affordability assessment. Having done so I am comfortable that, after verifying her income, Virgin Money took a reasonable approach for assessing her committed non-discretionary expenditure, using figures from Miss E's application where available, and reasonably calculated figures where they weren't.

- I don't think Virgin Money acted unfairly in any other way.

This means I don't think Virgin Money did anything wrong when it provided the credit card to Miss E.

I've also considered whether the relationship might have been unfair to Miss E under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already explained, I don't think Virgin Money lent irresponsibly to Miss E or otherwise treated her unfairly. I haven't seen anything to suggest that Section 140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Miss E hoped for. But for the reasons above, I'm not asking Virgin Money to do anything to put things right.

My final decision

My final decision is that I'm not upholding Miss E's complaint about Clydesdale Bank Plc, trading as Virgin Money.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss E to accept or reject my decision before 9 March 2026.

David Barker
Ombudsman