

The complaint

Mrs S complains that Clydesdale Bank Plc trading as Virgin Money (“Virgin”) wouldn’t change her mortgage from joint names into her sole name. Mrs S said she had to move her mortgage to a different lender to achieve this change, which incurred significant costs.

What happened

Mrs S is one of two parties named on this mortgage. In the circumstances of this complaint, our service has agreed to consider a complaint brought by Mrs S alone.

Mrs S told us she had taken out a joint mortgage with Virgin. The mortgage names her and her former husband. She said she got divorced many years ago, and has been paying this mortgage without the other borrower’s involvement for some time. She shared the circumstances of her separation, and explained why she no longer wants her former husband named on this mortgage. As Virgin is aware of this, I don’t need to set those details out here.

Mrs S applied to Virgin for the mortgage to be in her sole name, but it said no. Mrs S said this was unfair, and didn’t reflect her low loan to value and high credit rating. She said she was going to have to incur extra costs to remortgage elsewhere, so she wanted Virgin to reconsider, or provide compensation for its refusal to change this mortgage to her sole name.

Virgin didn’t think it had done anything wrong. It said it had carried out a full review of her application, and it had decided it couldn’t proceed. It said this decision was made in accordance with its internal policies. Virgin said it could see that Mrs S had expressed dissatisfaction with its decision, and it hadn’t initially treated this as a complaint, so it apologised for this and offered Mrs S £100 just for that. It wouldn’t reconsider its decision not to lend to her alone.

Our investigator didn’t think this complaint should be upheld. He said Virgin had done what our service would expect in considering the application, and it had declined Mrs S’s request after underwriter review. He explained that decisions like this depend on a number of factors, more than just a good credit score.

Our investigator explained that Virgin is allowed to make a commercial decision about its lending and required criteria. He couldn’t fairly require Virgin to set out all the information it considers or provide more details about its application process, because that’s commercially sensitive information. Whilst it may not be able to share all this commercially sensitive information with Mrs S, it can show us the criteria it assesses against, and that it has made a fair and reasonable decision. Virgin has done that. So he couldn’t fairly say that this lending request should have been approved.

Our investigator said Virgin had apologised for the delay in addressing Mrs S’s complaint, and offered £100 for that. He thought that provided a fair and reasonable outcome to this part of Mrs S’s complaint.

Mrs S didn't agree. She reminded us of the circumstances of her former husband, including that he has not contributed to this mortgage for many years, and said it was unreasonable for Virgin to have refused to remove him from this mortgage.

Our investigator didn't change his mind. He said he was satisfied that Virgin had assessed Mrs S's application fairly, and he couldn't ask it to treat her differently to other customers, by telling it to just make changes to her mortgage without assessing the risks.

Mrs S continued to disagree. She said she was concerned about the lack of transparency in the explanations she had received to date. She thought she should be told the factual or evidential basis on which Virgin decided her application did not meet its affordability or risk requirements. She said without knowing that, she couldn't challenge the fairness or reasonableness of its decision. And she thought our service had relied on Virgin's internal notes, without verifying whether information it relied upon was accurate. Mrs S said she couldn't see Virgin had paid attention to the updated income documentation she provided, or whether it had properly reassessed affordability in line with FCA rules on responsible lending and fair treatment of customers. And she couldn't see how we had compared what had happened in her case, to similar cases.

Mrs S wanted her case to be considered by an ombudsman, and she wanted a fuller explanation of what Virgin had relied on in making its decision. She also wanted our service to confirm that all the evidence she sent had been reviewed and factored into the assessment. She didn't think our work so far met the standard of clarity and transparency expected of us.

Because no agreement was reached, this case came to me 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.

I've reached the same overall conclusion on this complaint as our investigator. I know that Mrs S will be disappointed by my decision, but I don't think Virgin had to approve this change of parties request on her mortgage.

I should also note that our service provides an informal alternative to the courts. It's in the nature of the role we fulfil, that we may not always provide the detailed forensic analysis of a decision which a complainant might wish to see. This is all the more likely when dealing with mortgage lending decisions, because these are made on a complex and multifactorial basis and assessed against criteria which, as our investigator said, are commercially sensitive, so can't be shared.

Mrs S applied to Virgin to change the name on her mortgage for a second time in 2025. I can see that Virgin turned down her previous application in 2021, on the basis that the change would not be affordable for her. And in 2025, Virgin turned down her application again, but this time it provided fewer details.

I don't think Virgin has to provide Mrs S with detailed reasoning as to why it has made this decision. But I note Mrs S has told us that the feedback she's had so far means she can't be sure Virgin had actually taken her updated income into account. I understand she would be concerned that Virgin hasn't confirmed it had seen and factored in the job that she told it she'd recently secured, but I can confirm it had done so. Having taken that into account, Virgin still didn't think it could lend to Mrs S.

As our investigator said, lenders are allowed to assess the risk to them of any lending, and our service generally starts from the position that it's for a business to make its own risk assessment when it's deciding whether or not to lend. So we don't often overturn such decisions, and certainly wouldn't do so lightly. Here, I can see that Virgin assessed this case in the way I would expect. It could see that Mrs S had recently secured a new role with a higher income, and it took that into account. But Virgin does appear to have had concerns about whether that income would continue well into the future, in order to support the mortgage over its remaining term.

Where someone has only very recently secured a new role, on a much improved salary, I can't say that it's unfair or unreasonable for Virgin to have taken a decision that it preferred not to take the risk of lending to that person alone. I understand why Mrs S wanted to have her ex-husband removed from this mortgage, and I appreciate her strength of feeling on this, but I don't think Virgin's decision here was unfair or unreasonable.

I know that Mrs S has since chosen to move her mortgage elsewhere, so that she can achieve the change she wanted and so she is then free to manage her mortgage herself in future. And I appreciate that Mrs S may well consider that if another lender was happy to offer her this lending, Virgin may have made a mistake. But just because another lender has a differing appetite for risk, doesn't mean that Virgin got things wrong here.

I know Mrs S will be disappointed by my decision, and I appreciate that she would prefer more details of the assessment which was made, but I hope I've explained that it's not always appropriate to provide the sort of detail she would clearly like to see. I do want to reassure her that Virgin's decision has been assessed in full, it doesn't appear to me to have been based on an oversight or any mistake, and I don't think it was unfair or unreasonable.

I can see that Virgin did make one mistake here, because it didn't initially provide a formal response to Mrs S's complaint. Virgin has apologised for this, and offered Mrs S £100 in compensation. I do think that provides a fair and reasonable outcome to this part of Mrs S's case. It doesn't look as if this money has yet been paid to Mrs S, so I'll ask Virgin to make that payment now if it hasn't done so already.

My final decision

My final decision is that Clydesdale Bank Plc trading as Virgin Money must pay Mrs S the sum of £100 which it previously offered, if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 8 May 2026.

Esther Absalom-Gough

Ombudsman