

The complaint

Mr G is unhappy with how Clydesdale Bank Plc, trading as Virgin Money ('Virgin') have handled payment plans on his two credit cards, and with what Virgin are reporting about the two accounts to the credit reference agencies ('CRAs').

What happened

Mr G had payment plans in place for each of his Virgin credit cards. Both plans ended in March 2024. Mr G continued to make the payment plan payments, but as the plans had come to an end the payments were not enough to meet the minimum payments under each credit card that had become due at the end of each plan.

In June 2024 new payment plans were agreed for each of the credit cards and Mr G began making the new payments from July 2024. However, Mr G raised his concerns that he had not been told the previous plans had come to an end and that he was unhappy with how Virgin were reporting late / missed payments on his accounts to the CRAs.

Virgin removed arrears being reported from the time the new plans started, but said that prior to that any payments not made when due for the required amounts would remain reported as arrears as this was accurate reporting.

Our Investigator did not uphold Mr G's complaint as they concluded Virgin had met their obligations and in the circumstances their reporting was fair. The Investigator also said Virgin had made reasonable attempts to contact Mr G prior to the ending of his earlier plans.

Mr G disagreed as he said Virgin were reporting missed payments when he had been paying what was required under the payment plans. And he said that while Virgin may have tried to call him he would not have answered the phone to an unknown or unexpected caller given concerns about potential scams.

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 have only included a summary of what has happened above, and while I may not respond to every point each party has raised, I have reviewed all the submissions available and focused on what I consider relevant to reaching a fair and reasonable resolution in this matter.

To reach a fair and reasonable decision I have taken into account any relevant law and regulations, regulator's rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

I've first considered Mr G's concerns that he was not given notice that his plans were ending in March 2024.

While considering what Mr G has said about not receiving letters and not feeling comfortable to answer phone calls from unknown numbers, having reviewed the evidence provided by Virgin I think it fair to say they did make reasonable attempts to contact Mr G about his accounts.

I've not seen that Mr G had asked Virgin to contact him in any particular way so it was not unreasonable for Virgin to have attempted calling Mr G before the plans ended. Letters were also later sent to Mr G's correct address letting him know when charges were being applied to the account due to late / missed payments. And I'm also aware that Mr G's statements for each account showed the amount he was required to pay each month, and this amount increased after the payment plans ended.

I've next considered whether Virgin was entitled to report the missed payments Mr G is unhappy about and whether in the circumstances it was fair of them to do so.

The Information Commissioner's Office (ICO) – the independent regulatory office in charge of upholding information rights in the public interest – sets out principles for the industry in relation to the reporting of arrears, arrangements and defaults. And those include, amongst other things, that information reported to the CRAs is fair, accurate and up-to-date. It also sets out that arrears can be reported where the expected payment to be made by the agreed time and / or for the agreed amount is not made according to the terms and conditions of the account.

I am aware Mr G continued to make the plan payments to the account, but as the plans had ended the payments Mr G was now required to make were the minimum payments as per the terms and conditions of the accounts, therefore it meant Mr G was not making the payments he needed to.

New plans were agreed in June 2024 and the payments started in July 2024. I can see Mr G has maintained these payments and from the submissions it is apparent Virgin have ensured Mr G's credit reporting has been updated from the point the new plans started. But I realise Mr G is unhappy with how his earlier payments were being reported during the time after the old plans had finished and before the new plans had started. In the circumstances I think it was fair of Virgin to report these as missed payments as during that period, as I've noted above, Mr G had not made the payments required and it would be accurate to report that.

I note from the copy of Mr G's credit file that one of his Virgin accounts is reported as being in an arrangement from June 2024 and the other does not. Virgin are aware that one of the payment plans was not properly updated on their system which would suggest this is why that has happened and Virgin have already said they are taking remedial action in relation to this, so I'm not going to ask them to do any more here.

In the circumstances I don't think this has impacted Mr G as the new plan is in place for that account, he is making the required payments under the plan, and those payments are being fairly reported.

Overall, I've not seen anything to persuade me Virgin have done something wrong or acted unfairly in this matter. That is I think Virgin made reasonable attempts to contact Mr G about his plans coming to an end, and information about the accounts was also available to Mr G in his statements. Virgin were entitled to report the arrears on Mr G's accounts and in the circumstances I think it was fair of them to do so. I'm therefore not asking Virgin to change how these payments are being reported.

My final decision

I realise this will come as a disappointment to Mr G, but for the reasons above, my final decision is that Mr G's complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 2 January 2026.

Kristina Mathews
Ombudsman