

The complaint

Mr D complains that Clydesdale Bank Plc (trading as Virgin Money) cancelled the instalment plans on his credit card.

What happened

Mr D says he had set up instalment plans on his Virgin Money credit card to keep his monthly repayments affordable at £143. He says Virgin Money cancelled the plans without instruction, increasing his payment to over £600. Mr D says Virgin Money told him he'd cancelled the plans himself and offered to freeze his card – an option he felt obliged to accept as £600 was unaffordable. He adds that Virgin Money has provided no support and, despite multiple calls, the issue remains unresolved and has negatively affected his mental health.

Virgin Money says its records show that Mr D cancelled the two plans via the mobile app on 23 May 2025 and it cannot reinstate them.

Our investigator did not recommend the complaint should be upheld. He was satisfied that the instalment plans had been cancelled online following a successful login to Mr D's account and could not conclude that Virgin Money had made an error.

Mr D responded to say, in summary, that he was fully aware that cancelled plans cannot be reinstated and, therefore, it made no sense for him to have cancelled them. He said he did not authorise anyone else to do so and that Virgin Money stands to gain financially from the situation.

Mr D adds that the possibility of unauthorised access or a system error has not been fully explored and it is unfair to accept Virgin Money's version of events without further scrutiny. Mr D also emphasised the severe impact this was having on his financial and mental health and the ongoing efforts he was making to try to get Virgin Money to agree to a repayment plan.

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.

Where the evidence is contradictory, as some of it is here, I must make my decision based on what I consider is more likely to have happened.

Virgin Money has sent Mr D's "Mobile Activity Log" for 2025 and I can see that Mr D set up the following instalment plans:

- On 23 April 2025, a plan was set up to repay £5,287.99 at £193.88 per month for 30 months;
- On 8 May 2025, a plan was set up to repay £5,879.32 at £182.90 per month for 36 months.

Emails were sent to Mr D on both occasions, which included the following wording: "*Once a plan is cancelled you won't be able to transfer the balance into another instalment plan.*"

This means that in the subsequent credit card statements, Mr D would have needed to pay around £377 per month, plus the minimum payment on his remaining credit card balance.

However, on the same log, following a successful login on 23 May 2025, Virgin Money has recorded the cancellation of both the above instalment plans.

It has also sent proof that this triggered the system to send emails to Mr D about the cancellations.

As a result, Mr D's June credit card statement showed the instalment plan amounts included in the full balance and noted that both plans had been cancelled on 23 May 2025.

So, I consider it more likely than not that Mr D cancelled the instalment plans himself, via the app, and that Virgin Money did not make an error and is not obliged to reinstate them.

I note that, since June 2025, Mr D has made one payment of £200 on 26 November 2025 and has now been issued with a default notice. Virgin Money has not added any interest charges since 7 July 2025, but I acknowledge that there is now adverse information on Mr D's credit file. Virgin Money is required to ensure that the information reported to the credit reference agencies is an accurate reflection of the management of Mr D's account. I have seen no evidence to show otherwise.

Finally, Mr D has said he has continued to proactively engage with Virgin Money about the repayment of his credit card account, but that it has yet to agree a repayment plan with him. Virgin Money says Mr D has contacted its Customer Relations Team and a member of the team will contact him directly.

In summary, I do not find that Virgin Money made an error with the cancellation of Mr D's instalment plans and it doesn't need to take any further action in that respect.

My final decision

My decision is that I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 24 February 2026.

Amanda Williams
Ombudsman