

## The complaint

Mr C complains about changes in the terms and conditions of his Virgin Atlantic Reward + credit card which is issued by Clydesdale Bank Plc trading as Virgin Money.

## What happened

Mr C holds a Virgin Atlantic Reward + credit card. The card has an annual fee of £160 and entitles the cardholder to travel related benefits through separate membership of the Flying Club. Cardholders accumulate Virgin Points through spending on the card. A spend of £10,000 entitles the cardholder to a reward voucher, which – through the cardholders membership of the Virgin Flying Club - allows the cardholder to purchase a flight with points.

Mr C has explained that when he took out the card, there was no cap on the value of the reward voucher, and he'd previously used the voucher to purchase a premium economy ticket and travel in business class, without the need to use or purchase additional points.

Mr C's annual fee of £160 was charged in June 2024. Mr C reached the required spend on the card in September 2024 and became entitled to the reward voucher.

A short time afterwards, the Flying Club announced that the reward voucher would be capped at a value of 75,000 frequent flyer miles. Mr C says that this makes the voucher useless as it is impossible to redeem the voucher without having to use cash to purchase additional miles.

Mr C doesn't think it's fair that the changes were applied to cardholders who had already become entitled to the voucher under the old rules. He complained to Virgin Money.

Virgin Money advised Mr C that because the reward vouchers were issued by the Virgin Flying Club, it had notified the Flying Club of his complaint.

Mr C remained unhappy, He feels that the voucher is promoted as a benefit of the Virgin Atlantic credit card which is issued by Virgin Money and that because he paid his annual fee to Virgin Money, it is they who should address his complaint.

Our investigator didn't uphold the complaint. He said that Virgin Money was only responsible for allowing use of the card and the accumulation of Virgin points through spending, whereas the benefits available through redemption of the points were the responsibility of Virgin Atlantic Airways Limited. The investigator said that Mr C's complaint about changes to the reward voucher including the introduction of the cap should be directed to Virgin Atlantic Airways Limited.

Mr C didn't agree. He said he didn't think it was acceptable for Virgin Money to advertise a product and charge a fee for it and change the product without notice.

Because Mr C didn't agree I've been asked to review the complaint.

## **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 know it will disappoint Mr C, but I agree with the investigator's opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision. If I don't comment on a specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

I appreciate that Mr C feels very strongly about the changes to the reward voucher. He says that vouchers which were triggered prior to the changes should retain their original value, or that compensation should be offered as an alternative.

I've reviewed the information about the changes. This says that the new voucher will remain redeemable for a companion seat or upgrade and will be redeemable on any seat in any cabin for any customer. It also says that the voucher will be valid up to a maximum of 75,000 points for Flying Club Red tier members or 150,000 points for Flying Club Silver or Gold tier members, and that above these amounts, customers can use their Virgin Points balances to top up the amount required.

From my reading of the information, I can see that the points scheme and reward voucher are administered by Virgin Atlantic Airways Limited. The Virgin Atlantic Reward + Credit Card Flying Club terms and conditions are expressly stated to be between Virgin Atlantic Airways Limited and Mr C. It is these terms and conditions which set out the basis on which points will be awarded and how reward vouchers can be redeemed (including any limitations on redemption).

Virgin Money (Clydesdale Bank Plc) isn't a party to the Flying Club terms and conditions. They are a separate company and have no involvement in the administration of the travel benefits.

I appreciate that Mr C has paid an annual fee to Virgin Money. However, the annual fee is payable for the use of the credit card and the accumulation of points. This is the limit of Virgin Money's obligations here and from what I've seen, there haven't been any changes to the accumulation of points.

The benefits available from the accumulation of points are administered by the Flying Club. So, to the extent that Mr C is unhappy about the changes to the terms and conditions of the reward voucher, this is something that Virgin Atlantic Airways Limited is responsible for. I can't fairly hold Virgin Money responsible because they are a separate company.

Having reviewed the information available, I haven't seen anything to suggest that Virgin Money has made an error or treated Mr C unfairly. Virgin Money isn't responsible for the benefits provided by the Flying Club, or any changes to these benefits.

For the reasons I've given I'm unable to uphold the complaint.

## **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or

reject my decision before 4 December 2025.

Emma Davy  
**Ombudsman**