

The complaint

Mr E complains that Clydesdale Bank Plc (trading as Virgin Money) incorrectly allocated his credit card balance between his promotional rates.

What happened

Mr E says he took advantage of three 0% balance transfer offers which were due to end towards the end of 2025. He says he also made a £433 purchase on his account on 15 December 2024, but made a payment of £1,800 on 3 January 2025 to cover this and the balance on a 0% promotion ending on 31 March 2025. He says that, although Virgin Money did not allocate any money towards the purchase, it offered to rectify that as a gesture of goodwill. Mr E says the subsequent reinstatement of the promotional offers is incorrect.

Virgin Money says that Mr E first got in touch on 17 January 2025 to complain that his £1,800 payment had been allocated to a balance transfer and not the purchase he intended. Virgin Money says it explained that the purchase had not yet appeared on a statement so the payment was allocated to the balance on the current statement – in this case it was a 0% balance transfer promotion. It says that, as a gesture of goodwill, the 0% promotions were reinstated on 21 January 2025. It says it also credited £30 to Mr E's account for issues he had when calling Virgin Money.

Our investigator did not recommend the complaint should be upheld. He did not find Virgin Money had made any errors in allocating the initial payment and had seen no evidence that the 0% promotional offers should have different balances or later end dates.

Mr E responded to say, in summary, that he has sent evidence of the expiry dates of his promotional offers and explained how the reinstatement of these offers was incorrect.

My provisional findings

I issued a provisional decision to Mr E and to Virgin Money on 3 February 2026. I summarise my findings below:

- I listened to the calls and came to the conclusion that Virgin Money's attempt to amend Mr E's credit card statement disadvantaged him based on what both parties appear to have agreed;
- I reworked the accounts and summarised the corrected February statement:

<u>Balance</u>	<u>Promotional Rate</u>
	<u>End Date</u>
£423.77	14 Apr 2025

£1,144.00	30 Sep 2025
£1,445.60	30 Nov 2025
<u>TOTAL</u>	
£3,013.37	

- I found that Virgin Money should continue to model Mr E's statements going forwards from February's amended figures above, and that it should also refund any interest and charges that Mr E accrued due to the differences.

Mr E responded to say that he accepted my provisional decision, but added that he considers that compensation should be higher than £100 due to the stress he experienced over 12 months and for depriving him of the money that it charged in interest from May 2025 to September 2025 (proof of which he attached).

Virgin Money did not respond to my provisional 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 acknowledge that Mr E believes the compensation should be higher. However, as his credit card balance was never cleared during the period he was charged interest, I can't agree that he was deprived of the money. Mr E was typically making the minimum payments throughout this time which, although higher due to interest, were still applied to his outstanding balance. Any interest charges will be assessed and corrected when Virgin Money reworks the statement balances.

I do accept that Mr E has been attempting to resolve the issues for a year, but I still consider that £100 is fair – it is in line with our usual awards in this area and, ultimately, Virgin Money wasn't obliged to reallocate Mr E's January 2025 payment to the purchase as it agreed to do. I note that Virgin Money has already credited Mr E's account with £30 for some of the inconvenience he experienced.

In summary, as neither party has provided any new information, I see no reason to depart from my provisional decision.

My final decision

My decision is that I uphold this complaint. Clydesdale Bank Plc (trading as Virgin Money) should resolve it in the manner set out above and should pay Mr E an additional £100 for his inconvenience and worry.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 19 March 2026.

Amanda Williams
Ombudsman