

The complaint

Mr H complains that Clydesdale Bank Plc trading as Virgin Money failed to implement his request to change his payment date. This led to his payments being reported as late, his promotional interest rate being withdrawn, and his credit rating adversely affected.

What happened

Mr H opened a Virgin Money credit card account on 16 January 2022. His initial statement date was 17th of each month and his payment due date fell 20 days after the statement date.

On 26 January 2022 Mr H used the app to request a change to his monthly payment date to 15th of each month.

Prior to Mr H completing the online form, Virgin Money provided the following information:

“Please note. You can request a change to your due date once your account has been open for 15 days and requests are limited to one per six months”.

On 27 January 2022 Virgin Money sent an email to Mr H asking him to call them. It says it didn't hear from Mr H, nor did it receive any further requests made after the 15 day period from account opening to have the payment due date changed.

Mr H's account shows that he made payments before and on 15th of each month.

Virgin Money continued to produce Mr H's monthly statements on the assigned statement date and his payment due date continued to fall 20 days later. It issued text messages to let him know when his payment was due and when his payment was overdue. Virgin Money also issued Notice of Default Sums letters to Mr H to make him aware of any late payment charges applied to his account. It removed the 0% promotional interest rate following Mr H's late payment in January 2023.

Mr H complained to Virgin Money. He said he'd requested to have his payment date changed and because this wasn't done, he'd missed payments, incurred charges and had the 0% promotional interest rate removed. Mr H explained that he had ADHD and that this had caused him a lot of anxiety.

Virgin Money didn't uphold the complaint. It said it had acted in line with the terms and conditions of the card and hadn't made any errors. It offered to resolve the complaint by re-instating the balance transfer 0% rate until December 2024 once the account was brought up to date. It said it couldn't refund interest which had been applied to the account following the removal of the 0% promotional rate, nor could it remove charges for late payments. It said it was obliged to report accurate information to the credit reference agencies and was unable to remove any late payment/arrears statuses that had been reported. Virgin Money said it had now changed Mr H's payment date as requested so that his statement date was 25th of each month with his payment due date 20 days later.

Mr H remained unhappy and brought his complaint to this service. He said he'd spoken to

Virgin Money on 2 February 2022 and informed them of his ADHD and his desire to change his payment date. Mr H says he was informed that his payment date couldn't be changed because the account had been open for less than 15 days but that the change would take effect from March.

Our investigator didn't uphold the complaint. She said she hadn't seen enough evidence that a request to change the payment date was made 15 days after the account was open, and because there was no evidence that a conversation took place with a staff member on 2 February 2022, she couldn't conclude that Virgin Money had failed to fulfil Mr H's request. The investigator concluded that she hadn't seen evidence that Virgin Money had made an error.

Mr H didn't agree. He said he'd spoken to Virgin Money on 2 February 2022 and had been advised that the change could be put in place now that the 15 day restriction had ended, meaning that his next payment due date would be 15 March 2022. Mr H said that the absence of a call recording didn't mean that the conversation didn't take place.

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.

There's no dispute that Mr H requested to change his payment date online on 26 January 2022. Virgin has provided evidence to show that Mr H was provided with information on the screen explaining that the payment due date can't be changed if the account had been opened within the last 15 days. This rule applied to Mr H because he'd opened the account on 16 January 2022. I'm satisfied that, at the time of making his request to change the payment date, Mr H was aware – or ought to have been aware – that he couldn't change the date at this time.

I can see that Virgin Money sent an email to Mr H on 27 January 2022 asking him to contact them. Virgin Money says it didn't hear back from Mr H in response to the email and didn't receive any further requests to change the payment date.

Mr H disagrees. He says he telephoned Virgin Money on 2 February 2022 and spoke with an advisor about changing his payment date. Mr H says he was advised that his payment date couldn't be changed when he requested it because the account had been open for less than 15 days, but that the change could be processed now and would take effect from March 2022.

Mr H has provided a screenshot showing an outgoing call to a Virgin Money number on 2 February 2022. The call duration was around 13 minutes.

Virgin Money has – at the request of this service – conducted additional checks to see if there is a record of a call with Mr H on this date. Virgin Money has confirmed that there is no record of a call. It has explained that there are always markers on accounts where it has had contact with a customer, but if the customer was on hold for a long time and hung up, there would be no record as no conversation took place.

In order to find that Virgin Money failed to implement Mr H's request to change his payment date, I would need to be persuaded that the conversation took place on 2 February 2022. As it stands, there isn't any evidence that a conversation took place, only evidence that Mr H made an outgoing call to a Virgin Money number. Virgin Money has demonstrated that it has retained records of all communications with Mr H.

If Mr H did speak to Virgin Money on 2 February 2022, and if he was told that the changes would take effect in March, I would have expected Mr H to contact Virgin Money in March, or April, or May, or in the months going forwards, because Virgin Money hadn't changed the statement date or the payment due date. Virgin has said that it sent statements and text messages to Mr H reminding him of his payment due date. If Mr H had been told in a call that the payment due date would be changed in March 2022, I would've expected him to contact Virgin Money to query the payment due date in the texts. There's no evidence that Mr H contacted Virgin Money about the payment due date in the months which followed.

On balance, I'm not persuaded that a call took place. I'm therefore unable to say that Virgin Money failed to implement Mr H's request or made an error.

I appreciate that Mr H is disappointed that the promotional 0% interest free period was withdrawn from his account. The terms and conditions of the account state that if a payment is missed, the promotional offer may be withdrawn. Mr H missed a payment in January 2023, which resulted in the promotional rate being withdrawn. I'm unable to say that Virgin Money made an error here, because the terms and conditions allowed it to withdraw the promotional rate.

Mr H has raised concerns about the adverse effect that this has had on his credit file. He says that the information reported by Virgin Money has prevented him from moving to another provider. He says it isn't fair that he is "trapped" with Virgin Money paying interest and charges.

All lenders have an obligation to report accurate information to the credit reference agencies. Mr H has made late payments and Virgin Money has correctly reported these to the credit reference agencies. I understand that this will have impacted Mr H in his efforts to obtain credit elsewhere. However, I'm unable to say that Virgin Money has made an error or treated Mr H unfairly. It has reported the factual state of Mr H's account.

Finally, Mr H is unhappy that Virgin Money hasn't complied with his Subject Access Request. I'm not able to comment on this. If Mr H remains unhappy with this aspect, he should pursue this with The Information Commissioners Office.

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 H to accept or reject my decision before 6 August 2024.

Emma Davy
Ombudsman