

# Virgin Money joining race for hard-pressed customers by launching bank account in spring for those with poor credit histories

By [Helen Cahill, Financial Mail On Sunday](#)

Published: 21:48, 8 February 2020 | Updated: 21:48, 8 February 2020

Virgin Money is joining the race for hard-pressed customers by launching a bank account in the spring for those with poor credit histories.

The bank backed by Richard Branson will also introduce new features on credit cards allowing customers to pay for big ticket items in instalments.

Customers will be able to automatically save into a linked account with an interest rate of 1 per cent.



Forward thinking: The savings account will automatically replenish the current account to stop customers going into overdraft

The savings account will automatically replenish the current account to stop customers going into overdraft.

It will also have budgeting tools to restrict spending and a round-the-clock phone line for support.

The new credit card deal will target customers who fear they will not qualify for a personal loan or do not want the hassle of taking one out.

They will pay higher rates for borrowing on a credit card to repay the cost of large items such as TVs over several payments.

The new account will be launched with a high-profile advertising campaign.

A Virgin Money spokesman said: 'We believe we have a vital role to play in providing services and tools to make customers happier and more confident about managing their money.'

'Our new basic bank account will offer a host of features that no other basic bank account offers.'

Last week, The Mail on Sunday revealed that TSB is to launch short-term loans to lure borrowers away from payday lenders. TSB is also introducing instalment loans.