

## **The complaint**

Miss D complains that her credit card balance with Capital One (Europe) plc has increased despite her being in a payment plan where she thought she wouldn't be charged interest.

Miss D also complains that she can't log into the mobile application because she no longer has a card number to be able to do this. Miss D says she hasn't received statements from Capital One to help her be able to manage her account.

## **What happened**

Miss D has had a credit card account with Capital One since December 2000.

In October 2020, Capital One sent Miss D a letter about persistent debt. This is because Miss D had paid more in interest, fees and charges than she had repaid towards the amount she borrowed. Capital One provided Miss D with some repayment options, and Miss D agreed to stop the spending on the account and pay £149.26 a month until the balance was repaid – which Capital One said would take 35 months if she kept to the plan.

Miss D says that despite her being on a payment plan, her balance has increased. And interest has continued to be applied to the balance of the account.

Miss D cancelled the repayment plan in September 2022, Capital One gave Miss D the option of setting up a new repayment plan, but she decided not to do this.

Miss D doesn't feel that the outstanding balance has decreased, and instead she says it has doubled.

Miss D says she can't manage her account using the app because she no longer has a card number to enable her to log in. And she says Capital One promised to send her statements. Miss D added that she has a direct debit set up with Capital One and they take what they like each month – and she has asked for this to be stopped.

Capital One responded to Miss D's complaints. It upheld her complaint in part and offered Miss D £25 because of some issues she had in reading its correspondence. However, it didn't uphold her complaints about the other matters she raised.

An Investigator considered information provided by both parties, however they didn't think Miss D's complaint should be upheld. Overall, the Investigator didn't think it was unfair of Capital One to apply interest and charges to the account, they felt that Capital One had done enough to amend the preferences on Miss D's account to receive statements by email.

Miss D didn't agree with the Investigator's view – she felt that Capital One could have been more helpful and she didn't think the debt should remain.

Because an agreement couldn't be reached, the complaint has been passed to me to decide on the matter.

## **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.

In reaching my findings, I haven't commented on every point of concern Miss D has raised. I don't intend to offend her by not doing so or mean any disrespect in taking this approach. This reflects the informal nature of this service. Instead, I've focussed on the key issues I think I need to consider, in deciding on whether Capital One did anything wrong. And having considered everything available to me, I haven't found that Capital One has done anything wrong.

In November 2020, Miss D agreed to enter into a persistent debt repayment plan. As part of the plan, she would pay Capital One £149.26 per month for 35 months – and at the end of the repayment plan the balance would be repaid in full. The arrangement also meant that any further spending on the card was suspended. I can see that Miss D thought that the arrangement meant she wouldn't be charged interest, but based on what I've seen, I don't think this was the case. I can see Capital One sent Miss D a letter to confirm details of the plan on 19 November 2020. The letter confirmed that Miss D would be charged interest while on the plan at 33.68% simple annual rate. So, I can't agree that Capital One has unfairly applied interest to the balance while she was in a plan.

I note that Miss D feels that she should have repaid the balance by now. But I haven't seen any evidence to support this. I can see that Miss D decided to cancel the plan, and after this she made the monthly minimum repayments – until more recently when she stopped making repayments altogether. I think it's likely the confusion with the amount still left outstanding is because Miss D didn't think she was being charged interest while on the plan, which wasn't correct. This also means there is still a balance outstanding that is due to be repaid. I haven't found that Capital One has done anything wrong here.

I note that Miss D also complained that Capital One didn't agree to stop interest and other charges when she asked for it. Capital One said that this was because Miss D was making repayments to the account which were over the minimum amount due each month. Because the account wasn't behind with repayments it said it wouldn't agree to stop interest, given that this is what Miss D agreed to when she took out the account. However, it said that if Miss D was having difficulty repaying the debt, then it would look for ways to help her. I think Capital One has acted reasonably here.

I can understand why it must have been frustrating and inconvenient for Miss D to have lost the use of Capital One's mobile app – as this was a convenient way for her to check her balance. However, I have noted that Capital One has provided Miss D with an alternative of receiving statements. And I can see it provided her with her statements in October 2022. I think this is a reasonable resolution.

I note that Miss D has more recently raised more concerns about the actions of Capital One. However, this decision will only consider the issues she initially referred to this service. Any further concerns Miss D may have will need to be considered as part of a separate complaint.

## **My final decision**

For the reasons set out above, I don't uphold Miss D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D and Mr D to accept or reject my decision before 11 December 2023.

Sophie Wilkinson  
**Ombudsman**