

## **The complaint**

Mr N complains that Capital One (Europe) Plc (Capital One) didn't give him advance notice the promotional rate on his credit card was due to come to an end.

## **What happened**

Mr N took out a credit card with Capital One that had an introductory rate of 0% interest for twelve months. Mr N says that at the twelve-month stage, he realised by chance that the rate would be due to come to an end and scrambled around to get the money together to pay off the outstanding balance so he could avoid having interest charges.

Mr N was upset that Capital One didn't give him any advance warning and complained to them. They didn't uphold his complaint, they said they didn't tell him as the account balance had already been cleared.

Mr N remained unhappy and so brought his complaint to this service. Our investigator didn't uphold Mr N's complaint. In summary she said: Capital One didn't need to tell Mr N the rate was due to come to an end, as they had informed him of the term of the promotional offer at the start of the contract.

Mr N disagreed, he argued that the Finance and Lending Association (FLA) recommends that lenders tell their customers four to eight weeks before the offer is due to expire. But this didn't change things for the investigator and so the matter has now been passed to me to decide.

## **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 realise that I've summarised this complaint in less detail than the parties and I've done so using my own words. I've concentrated on what I consider to be the key issues. The rules that govern this service allow me to do so. But this doesn't mean that I've not considered everything that both parties have given to me. Having done so, I won't be upholding this complaint, I'll explain why.

Capital One is regulated by the Financial Conduct Authority (FCA), they set out the rules that Capital One must follow, these are laid out in the Consumer Credit Source book (CONC). CONC is silent on the need for a credit card provider, to give advance warning of an expiry date of a promotional rate.

Mr N has quoted information from the lending code of the FLA, but this is a voluntary association which lenders can choose to sign up to if they wish. I have checked and can't see that Capital One have signed up to be a member of FLA, so their lending code won't apply here.

I have seen the credit agreement which Mr N signed in November 2021, this states under interest rate:

*“The standard rates of Interest that we will charge you are:*

*Standard purchases rate: an effective rate of 0.00% p.a fixed for any statement period beginning within the first 12 months of your account.”*

Capital One have provided copies of Mr N's statements. The November 2022 one shows he still had an outstanding balance which was attracting 0% interest. The statement also states that the estimated interest for the following month is 0%.

The December statement covered a period that began within the first twelve-months of the account and so was still covered by the promotional rate of 0% interest. This statement shows that Mr N had cleared the outstanding balance on 9 November 2022 – prior to the promotional rate expiring. This means he incurred no interest charges on his balance prior to clearing it.

While I don't disagree with Mr N that it would have been good practice for Capital One to give warning that the rate was due to expire, there was no obligation under the rules for them to do so and so I can't fairly say they did anything wrong here.

And while I accept that Mr N says he had to gather the money together quickly to be able to be able to pay the balance off in time, there has been no detriment here. I say this because Mr N suffered no financial loss because Capital One didn't give him warning. And he would always have needed to pay the balance off at this time to avoid attracting interest. While Mr N may have found it inconvenient to have to do this quickly, it was his responsibility to keep a track of his account so he could be prepared to do this.

Taking all of this into account, I'm satisfied that Capital One doesn't need to do anything different here and so it follows, I won't be upholding Mr N's complaint.

I know Mr N will be disappointed with this outcome, and I understand his strength of feeling around this issue. But my decision ends what we – in trying to resolve his dispute with Capital One – can do for him.

### **My final decision**

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 10 October 2023.

Amber Mortimer  
**Ombudsman**