

The complaint

Mr R complains that NewDay Ltd (trading as Marbles) gave him the wrong information when he called to make a payment on his credit card and went on to unfairly terminate his account.

What happened

Mr R had a credit card with Marbles. The account was in arrears and Marbles sent Mr R a statement on 20 August 2019 that said he needed to make a minimum payment of £121.83 by 16 September 2019. On 20 September 2019 Mr R spoke with Marbles and was told that if he made a payment of £5.76 his account wouldn't close in the next 30 days. Mr R made another payment, for £448.21, to clear his outstanding balance which went through on 23 September 2019.

On 21 September 2019 Marbles wrote to Mr R to say it had taken the decision to terminate his account and it blocked the card on 24 September 2019. Mr R complained that he had been told the account would remain open if he made a payment of £5.76 on 20 September 2019 but that hadn't happened. Marbles responded on 21 October 2019 and upheld Mr R's complaint. Marbles agreed that Mr R hadn't been given the right information during his call on 20 September 2019, apologised and paid him £65. But Marbles said the decision to terminate the credit card was correct and didn't agree to reopen it.

Mr R referred his case to our service and it was passed to an investigator. She thought Marbles had dealt with the complaint fairly and didn't ask it to do anything else. Mr R asked to appeal so his complaint has been passed to me to make a 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.

From the information I've seen, all parties broadly agree that Marbles gave Mr R the wrong information when he called on 20 September 2019. Mr R says he thought his credit card account would remain open after he cleared the outstanding balance in full and that, as a result of Marbles' decision, he has lost out on a substantial amount of work. Marbles accepts Mr R wasn't given the right information but says the decision to close his account was reasonable and in line with the terms.

I can understand Mr R's frustration at being given the wrong information by Marbles. I accept that he made the payment to clear the outstanding balance on the basis that he would retain the use of the credit card. But I have to balance that against the fact Mr R did owe Marbles the outstanding balance, his account was around £150 over the agreed credit limit and that he had been making reduced payments. In addition, Marbles' statement dated 20 August 2019 required a cleared payment to be received by 16 September 2019 and Mr R didn't make a payment until 20 September 2019.

I also think it's reasonable to note that Mr R didn't lose the money he paid to Marbles as it was used to repay the outstanding balance owed. Whilst I agree that the information Mr R was given wasn't right, I'm satisfied Marbles' decision to terminate the account after the outstanding balance was repaid was reasonable.

Mr R says that, due to Marbles' mistake, he lost out on income and jobs as he wasn't able to purchase supplies. I do understand Mr R's point, but I don't agree that Marbles' decision to close his credit card was unfair. Ultimately, Mr R hadn't made a payment by the date of 16 September 2019 as required which meant Marbles could take the decision to terminate the credit card. Mr R's options from that point were to either clear the outstanding balance in full, reach a payment arrangement with Marbles or receive a default due to non payment. Mr R made a payment to clear the outstanding balance and I'm satisfied Marbles decision to terminate the account was reasonable.

Marbles paid Mr R £65 and apologised that the information he was given wasn't correct. I understand Mr R remains upset by how his credit card was closed, but I'm satisfied Marbles has dealt with his complaint fairly and that the £65 it paid reflects the impact of the service provided. As I'm satisfied Marbles had dealt with Mr R's complaint fairly, I'm not telling it to take any further action.

My final decision

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 20 August 2020.

Marco Manente
Ombudsman