

The complaint

Ms W is unhappy that MBNA Limited won't acknowledge that the outstanding debt on her credit card is that of her ex-fiancé, Mr O, and that MBNA won't transfer the debt to him.

What happened

Ms W opened a credit card account with MBNA in April 2015 and added Mr O as an additional cardholder. She says she opened this account to help Mr O repay his existing debt of £30,000 by using 0% balance transfer offers.

Although the card was in Ms W's name, she says that Mr O had been making the repayments himself. MBNA confirmed that this is the case.

Ms W contacted MBNA in 2016 and asked to transfer the account into Mr O's sole name. MBNA said this wasn't possible and that Ms W was liable for the debt, not Mr O. MBNA also told Ms W that it couldn't provide an official document confirming the account was in joint names because Mr O had no liability for the account.

Ms W contacted MBNA in 2020 to ask again for the account to be transferred to Mr O. She is no longer in a relationship with him and is worried about what will happen if he stops making payments. She is also worried by the letters she is receiving about persistent debt.

MBNA's response was as before, that Ms W can't transfer the debt, but it suggested that a new account could be opened in Mr O's name, and the balance transferred to that account. Ms W brought her case to this service. Our investigator noted that under the account terms and conditions, Ms W was solely responsible for the account, and wasn't allowed to transfer her obligations to a third party. She thought Ms W should be aware of this as the terms are clear on this point. She agreed that the debt couldn't be transferred to Mr O.

Ms W wasn't happy with this, so the case has come 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'll start by saying that I sympathise with Ms W's predicament. She took on a commitment on her credit card account to help out Mr O, her fiancé at the time. The relationship has ended, and she now finds herself left with a debt which she is worried about paying, although Mr O is currently making the repayments. I can understand that this is very stressful for her.

However, unfortunately I have to tell Ms W that MBNA is correct in saying that she is the person who is legally liable for the debt, as she is the person who entered into the credit card agreement. And the agreement is clear that the account holder, Ms W, is liable for all the spending on the account, including anything spent by the additional cardholder, Mr O. Even though transactions have been made for Mr O's benefit, Ms W is liable for repayment of the balance on the account.

The position can't be changed without Mr O taking legal responsibility for the balance. MBNA have suggested that possible options are would be to transfer the balance to an account in Mr O's name, or for him to repay the full balance. These are potential options, but they can only happen if Mr O agrees and takes the necessary steps to make it happen.

MBNA have also suggested that Ms W speak to its financial assistance team if Mr O stops making payments, and I would recommend that she follows this advice.

In the light of the above, although this will be disappointing for Ms W, I can't fairly say that MBNA have done anything wrong, and I can't tell it to move the debt into Mr O's name.

Finally, I note that Ms W mentions receiving letters about persistent debt. I would also recommend that she contacts MBNA about this as they are obliged to send letters like this.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 2 April 2021.

Rosemary Campbell
Ombudsman