

The complaint

Mr L complains that MBNA Limited (MBNA) should have defaulted his credit card sooner than it did. He would like the date of default changed, and compensation for the trouble and distress.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here instead I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusions:-

- Although MBNA felt it followed correct guidelines at the time , it agreed as a gesture of good will, to change Mr L's default date to November 2018 , and more specifically at Mr L's own request to 6 November 2018 .
- The outstanding issue for me to decide is whether the £100 compensation MBNA has paid is sufficient as Mr L doesn't feel it is.
- The £100 already paid seems to have been made up of £50 for wrong information given to Mr L and a further £50 when the initial £50 wasn't made so I don't believe these payments were made to cover any distress and inconvenience
- It's not always appropriate to award additional financial compensation. The main issue Mr L complained of was the date of the default ,he asked for this to be changed which MBNA has agreed to do.
- I appreciate Mr L has health and financial issues to deal with which I don't doubt have caused him some distress, but I don't think MBNA's actions were unreasonable. Consumers often don't want defaults recorded as soon as they have financial problems, it's often appropriate to have time for financial situations to improve. I appreciate given Mr L's health situation this was perhaps not the case, but I haven't seen any evidence that Mr L asked for an immediate default and didn't get it.
- I think MBNA did try to help by not applying interest to Mr L's account and in agreeing a modest repayment plan. It dealt with Mr L's complaint promptly. It didn't initially agree to change the default date as it concluded it followed its correct processes at the time . Although our investigator reached a different view that doesn't mean that MBNA were absolutely wrong to apply the default date that it did.
- I have carefully considered all the comments Mr L has made about compensation. But I don't believe he has evidenced any specific problems caused by the date of the original default , other than the inconvenience of wanting to change the date, that lead me to feel further compensation is appropriate.

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 Mr L to accept or reject my decision before 16 June 2022.

Bridget Makins
Ombudsman