

The complaint

Mr M complains about Creation Financial Services Limited's (Creation) management of his credit card account.

What happened

Mr M says in February 2019 he arranged to transfer his credit card balance, taking advantage of a 0% interest rate. Mr M says Creation changed the date payment was due just after completing the transfer. He says as a result of this, he was late making a payment, lost the 0% interest rate, and was wrongly charged interest for two years.

Creation says during a conversation in March 2019, they told Mr M to make a manual payment for 1 April 2019. This would allow time for the direct debit to be changed from taking the full amount owing to the minimum payment. Creation went on to say while a manual payment was made, it didn't reach Mr M's account until 4 April 2019, and the interest rate was rightly removed. It thought it had acted correctly, but in June 2021 offered Mr M a gesture of goodwill of £300, representing half of the interest applied to his account.

Unhappy with this, Mr M referred his complaint to this service. It was considered by one of our investigators who asked Creation to provide her with a copy of the account note it was relying on, as it had said it no longer had a recording of the call. As it didn't do so – or respond to her - despite a number of requests, she upheld Mr M's complaint.

As Creation still hasn't responded, this case has been passed to me.

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.

Creation no longer has a copy of the call in which it says it told Mr M he needed to make the manual payment by a particular date. Mr M says during this call he wasn't given a specific date and the paper statements he was sent then didn't have payment dates on. So, in light of the conflicting accounts of the call, I'll decide what I think is most likely to have happened.

When it sent its file, Creation included copy statements. These don't specify a date by which payments need to be made. It hasn't confirmed if these were like for like copies of the statements sent to Mr M, or copies that have been generated differently.

Creation also hasn't provided a copy of the account notes it's relying on to support its position it told Mr M the payment needed to be made by a specific date. It's relied on an extract of a note which said, *"advised the customer to make a manual payment for the next statement date"*. As I've said, the statements we've been provided with didn't include a payment date.

Despite a number of requests for Creation to provide this service with a full copy of the account notes it relied on, it hasn't done so. Mr M says he wasn't told the specific date he

needed to make the payment by in order to protect his 0% interest rate. Creation hasn't satisfied me that Mr M was told the payment had to be made by a specific date, or that it explained the consequences of a late payment to him.

Based on the information provided, I find myself more persuaded by Mr M's account of events, in that he wasn't given a specific date by which the payment had to be made. It follows, I'm going to require Creation to refund all the interest and charges applied to Mr M's account from April 2019 for the duration the promotional interest rate should have been applied to the account. It should also correct any adverse information recorded on Mr M's credit file about the late payment it says was made in April 2019.

My final decision

I uphold this complaint and require Creation Financial Services Limited to:

- Refund all interest and late charges applied during the period of the 0% balance transfer promotion.
- Amend any adverse information provided to the credit reference agencies in relation to the April 2019 payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 14 July 2022.

Emma Hawkins
Ombudsman