

## **The complaint**

Mr G complains that his Capital One (Europe) plc credit card was charged off and defaulted. He wants his account reinstated.

## **What happened**

Mr G fell behind with his credit card payments due to ill health meaning he couldn't work. He says he called Capital One on several occasions and wasn't provided with the support he should have been given his circumstances. He wants his credit card reinstated.

Capital One says that Mr G's account was permanently restricted on 14 December 2021 when he was behind on payments for five months. It says when Mr G contacted it in March 2022 to ask for the restriction to be lifted this was considered but the decision was made for the restriction to remain in place. It said it had several conversations with Mr G advising the risk of his account defaulting, but he didn't make the required payments and so the account was defaulted in June 2022. Capital One said the account restriction and default were applied correctly.

Our investigator didn't uphold this complaint in regard to the decision to default the account due to non-payment. He did think that Mr G hadn't been provided with the service he should have and recommended that Capital One pay Mr G £50 because of this. Capital One agreed to pay compensation of £50.

Mr G didn't agree with our investigator's view. He said he should have been treated with compassion and given more leeway due to his illness. He said he had to make numerous calls chasing Capital One which caused him additional stress. He thought a higher amount of compensation should be paid.

## **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 am sorry to hear of Mr G's illness. It must have been a terribly tough time for him, and I can understand how this meant he fell behind with his payments. However, for me to uphold this complaint I would need to be satisfied that Capital One had done something wrong or treated Mr G unfairly in some way.

When Mr G fell behind with his payments Capital One contacted him about this. It made him aware of the situation on his account and the action that could be taken.

The letter sent in November 2021, noted the missed payments on Mr G's account and provided him with contact details to get in touch. It explained that if a new payment plan couldn't be set up or payment couldn't be made then Mr G risked permanently losing his card. Mr G did get in touch and a payment plan was set up. Unfortunately, Mr G didn't keep to the agreed payments and the plan was broken. He then received a letter saying he had permanently lost the use of his card. The letter further confirmed that he wouldn't incur any

further fees on the account and that his account was at risk of default.

I understand how upsetting Mr G must have found this letter and why he wanted to have his card use reinstated, but as he had been provided with a warning of what would happen if the required payments weren't made I can't say that Capital One was wrong to take the action it did.

Further payment plans were set up, but these weren't maintained, and a notice of default was issued. In March 2022, Mr G contacted Capital One and explained his situation including the issues he had experienced with his health. I can understand how upsetting this would have been, and I can see that Capital One tried to explain what needed to be done to avoid the default being applied. I appreciate that Mr G was focussed on getting his card reinstated and Capital One agreed to review this. I find that his was a reasonable response to the issues Mr G had raised.

In April 2022, it was confirmed that Mr G's credit card wasn't being reinstated. I appreciate this will have been disappointing, but I find that Capital One had provided him notice of the issue with his account and action that may be taken. It had then reviewed its decision in light of the information Mr G had provided. Given this I do not find that it acted incorrectly or unfairly by taking the action it did. It then tried to work with Mr G in order to avoid a default being applied to his account. Unfortunately, as Mr G didn't make the payments required a default was applied in June 2022.

Overall, I can understand why Mr G has been upset by the experience he has had with his credit card being suspended and then permanently stopped. I can appreciate this was all happening at a very difficult time for him. However, in this case, I can see that Capital One did try to work with him and reviewed the situation. I think it provided him with the information he needed and opportunities to correct the situation on his account. Therefore, I do not find that Capital One did anything wrong by the actions it took on Mr G's account.

Our investigator noted that Capital One didn't provide the service it should have, with a delay in a call being returned and Mr G not being provided an update in April as promised. I appreciate this caused additional stress for Mr G and meant he had to chase for an update. Therefore, I agree that he should be compensated for this. I note Mr G's suggestion of £200 compensation but in this case, having considered the issue that arose and how Mr G was treated, I think the £50 recommended by our investigator and accepted Capital One is reasonable.

In conclusion, I know Mr G will be disappointed by this decision, and I want to reiterate how sorry I am to hear of the health issues he has experienced and the challenging time he has faced. I have to base my decision on the evidence and provide a fair outcome for the parties involved. In this case I think Capital One tried assist Mr G before his account was suspended and defaulted and so I do not find I can uphold this part of his complaint and I find the £50 compensation is reasonable given the service issues experienced.

### **Putting things right**

Capital One (Europe) plc should pay Mr G £50 compensation as it has agreed, for not providing the service it should have.

**My final decision**

My final decision is that Capital One (Europe) plc should take the actions set out above in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 5 January 2023.

Jane Archer  
**Ombudsman**