

The complaint

Mr P complains that Creation Financial Services Limited provided him with incorrect and misleading information about when his credit card account would close and closed his account early.

What happened

Mr P received an email on 17 April 2023, telling him that his credit card account would be closed and converted to a Creation card on 28 June unless he opted out. He says he was told he could continue to use his existing credit card and accumulate points until 27 June and that he would be refunded the fee for the unused period. Mr P emailed Creation on 17 April opting out of its offer and saying he wished to continue using his existing credit card until the deadline. But he says that without notification his existing credit card account was closed in April. He said he didn't know this had happened until he tried to make a purchase.

Creation issued a final response letter dated 11 July 2023. It said an email was sent in April 2023 explaining that Mr P's account would be re-carded to Creation and to contact its Admin team if he didn't want this to happen. It said Mr P emailed the Admin team and his account was closed in line with its process. It noted that Mr P had sent an email saying he wanted to keep his account open until 27 June but said that if a customer didn't want to transfer their account then the only option was for the account to be closed and the account is closed as soon as the customer confirms they wish to opt out.

Our investigator said that Creation had followed its process in regard to the account closure and so he didn't uphold this complaint.

Mr P didn't agree with our investigator's view. He said the information he received was misleading and that he was told that at the end of June his credit card would be changed unless he opted out.

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 understand that Mr P thought he would have use of his existing credit card up to when the change to the credit card was due to occur on 28 June. But for me to uphold this complaint I would need to be satisfied that Creation had done something wrong by closing Mr P's account when it did or that it had treated him unfairly.

I have looked at the email Mr P received from Creation in April 2023. It explains that its relationship with the hotel group that Mr P's existing credit card was with was coming to an end on 27 June and that his credit card would move to a Creation credit card on 28 June. It then explains what will happen in regard to the use of the existing credit card and reward points up to the transition.

As Mr P wanted to opt out of the transition to the Creation credit card, he notified the

relevant team. I understand why Mr P thought this would mean he could continue using his existing credit card up to 27 June, and he noted this in his email to the Creation team. But the email says that if a customer wishes to opt out the account will be closed. It doesn't provide any information about the account not closing until the transfer date. Instead, it states that the customer will need to repay any outstanding balance.

The account terms and conditions state that a customer can end the agreement by giving notice in writing and that this will take immediate effect. Therefore, when Mr P emailed Creation in April 2023 to say he wanted to opt out of the transfer I do not find that Creation did anything wrong by closing his account as was set out would happen in the email. And in line with the terms and conditions this was actioned immediately. So, while, I can understand why Mr P thought his account wouldn't close until the transfer date (and I think Creation should take note of his comments) I do not find I can say Creation did anything wrong or treated Mr P unfairly. I say this because it followed its normal process as set out in the terms and conditions in regard to the account closure.

I understand that Mr P had a credit balance on his account that has now been refunded.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 12 February 2024.

Jane Archer
Ombudsman