

## **The complaint**

Miss N complains that Capital One (Europe) plc permanently restricted her credit card.

## **What happened**

Miss N opened a credit card account with Capital One in June 2022.

In 2023/2024 Miss N experienced difficulties making the required payments and on 5 March 2024 the account was placed onto breathing space.

On 5 June 2024 Capital One wrote to Miss N and advised her that if she didn't bring the account up to date or put a payment plan in place the card would be restricted. The letter stated that a payment of £477.42 or a payment plan was needed by 3 July 2024 to avoid the restriction. The letter stated that alternatively a payment of £197.92 by 3 July 2024 would delay the restriction by one month.

On 10 July 2024 Capital One wrote to Miss N again and advised her that because she hadn't taken any of the options set out in the previous letter, the card had been permanently restricted, and the account would be closed once the full balance had been paid.

Miss N complained to Capital One. She said she'd received another letter asking her to make a minimum payment of £139.75 to avoid the restriction and that she'd made a payment on 29 June 2024.

Capital One didn't uphold the complaint. In its final response it said it had got in touch with Miss N about her account because she hadn't made a payment for 4 months. It said it had sent her a restriction notice letter setting out the options to avoid the account being restricted but none of the options had been taken by Miss N. Capital One said that the letter asking Miss N to pay £139.75 was a Notice of Sums in Arrears (NOSIA) which it was required to send to her under the Consumer Credit Act 1974. It apologised for any confusion caused by the NOSIA. Capital One said it wouldn't be lifting the restrictions on the card and explained to Miss N that her account could default if she continued to miss payments.

Miss N remained unhappy and brought her complaint to this service.

Our investigator didn't uphold the complaint. She said that Capital One had sent Miss N the required letters giving her notice of what could happen and took appropriate steps to restrict the card when no contact was made, and no payment was received.

Miss N didn't agree. She said she'd received multiple letters from Capital One quoting different payment amounts. She said she made a payment on 29 June 2024 which was the amount stated in Capital One's latest communication to her. Miss N said it was unfair that Capital One was now saying that this amount was insufficient. Miss N said that since July 2024 she had brought the arrears up to date and had obtained employment meaning she was able to maintain the account. She said the decision to permanently close her account was unfair.

Because Miss N didn't agree with the investigators opinion, I've been asked to review the complaint.

### **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 know it will disappoint Miss N, but I agree with the investigators opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Miss N has said that she received multiple letters from Capital One quoting different payment amounts. So, I've reviewed all the correspondence to decide whether Capital One treated Miss N fairly.

Capital One sent a letter to Miss N on 5 June 2024 setting out the options available to Miss N if she wished to avoid the restriction of her card. The options were to either pay £477.42 or contact Capital One and put a payment plan in place.

I can see that Capital One sent a NOSIA to Miss N after this. I've reviewed this. It referred to a different amount than the figure in the restriction letter dated 5 June 2024. The NOSIA referred to the last two minimum payments that were due on the account which were £139.75 on 5 May 2024 and £139.75 on 4 June 2024. The NOSIA was a regulatory notice which Capital One was obliged to send. And even though Miss N has said that she found the letters contradictory and confusing, the sum that she ultimately paid on 29 June 2024 didn't reflect the figure in either the restriction letter or the NOSIA letter. The payment made by Miss N wasn't sufficient to cover either the sum in the restriction letter or the sums in the NOSIA.

I can see that Capital One sent a further letter to Miss N on 10 July 2024 confirming that the account had been permanently restricted.

Based on what I've seen, I don't think Capital One has treated Miss N unfairly here. The restriction letter clearly set out the options available to Miss N and the timescale within which she had to do it. At the time the restriction letter was sent, Miss N had missed four monthly payments and the account was in arrears. In the circumstances I don't think it was unreasonable for Capital One to issue the restriction letter.

I appreciate that Miss N has said her financial circumstances improved and that she made efforts to get the account back on track. However, at the time when the restriction letter was sent, and at the time when the card was restricted, Miss N was in arrears and Capital One couldn't have known that her circumstances would improve. I don't think it was unreasonable for Capital One to restrict the card when it did.

I appreciate that Miss N is disappointed at the permanent restriction of her card and I'm sorry to hear that she's had a challenging year. However, having reviewed everything and for the reasons I've given above, I'm unable to say that Capital One has made an error or treated Miss N unfairly.

**My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 20 January 2025.

Emma Davy  
**Ombudsman**