

The complaint

Miss I has complained that Capital One (Europe) plc unfairly reported negative information about her account to credit reference agencies ('CRAs').

What happened

In July 2024, Miss I contacted Capital One, to explain her financial situation. It agreed to give her two months' 'breathing space' regarding her contractual repayments.

Our investigator listened to the call, and was satisfied that Capital One had explained that any missed payments would be reported. And, that the breathing space meant that Capital One wouldn't contact her again about missed repayments, until there had been two consecutively. So, he didn't think it had been unfair of Capital One to report as it had.

He also considered the issue of Miss I having offered repayments of £10 a month, in order to avoid further missed repayments being reported, and stop the account defaulting. Capital One didn't agree to this. It offered a repayment plan of £26 a month, but Miss I said this was unaffordable. Our investigator thought that £26 a month wasn't unreasonable.

Overall, our investigator thought Capital One had behaved fairly. It had offered a repayment plan and breathing space. And it had reported the accurate status of the account.

Miss I disagreed. In summary, she said that the law states credit card providers are obliged to accept a minimum of 1% of the outstanding balance, if a person is in financial difficulty. She also says she was never told that not paying the full minimum contractual amount each month would be recorded as a missed payment.

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'm not upholding it. I know this will be very disappointing for Miss I, but I agree with our investigator. I'm satisfied that the consequences of missing the minimum contractual repayments were explained to Miss I on the call she had with Capital One. And its subsequent reporting was accurate.

As regards Miss I's belief that the law requires card providers to accept 1% of an outstanding balance, this simply isn't the case. I think that Miss I may be thinking of a token payment of £1, which is sometimes suggested as a way of showing good faith and a desire to continue a relationship with the card provider. But there is no obligation for token payments to be accepted.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss I to accept or

reject my decision before 1 May 2025.

Elspeth Wood
Ombudsman