

The complaint

Mrs M complains that MBNA Limited (MBNA) set direct debits up for minimum payments when she wanted the full amount to be repaid each month.

What happened

In 2024 Mrs M made complaints to MBNA about a credit card ending 221 that she said she didn't recognise. She couldn't understand why a direct debit had been established on this card to only take minimum payments and she explained that she always made full payment on the other card she had with the business.

MBNA didn't think there was evidence the card ending 221 had been taken out fraudulently and they explained that Mrs M had asked them to take £30 payments each month.

Mrs M referred her complaint to this service and our investigator provided his view. He thought the evidence suggested that Mrs M would have been aware of the card and noted that the account notes explained the direct debit was amended in 2016 and statements showed that the minimum payment had been taken since. He didn't support Mrs M's complaint and she, therefore, asked for a final decision by an ombudsman.

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 Mrs M, but I'm not upholding this complaint. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

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.

Mrs M has explained to us that her complaint is not one of fraud. She believes MBNA set up the wrong direct debit on her card ending 221, and that as she was only paying the minimum payment a significant amount of interest has built up on the card that wouldn't have accrued if the correct direct debit for full payment had been established. I'll consider that complaint point but for completeness I would add that I haven't found there to be any evidence that Mrs M wasn't aware of the account. She was making payments to it out of the same account she was making payments towards her other card from, statements were addressed to her, and system notes show she'd been in touch with MBNA about the account in 2016 and 2021.

The direct debit

Mrs M has explained that she hasn't been able to find any evidence of the direct debit instruction from MBNA. She's been reviewing information she received from them. I've reviewed MBNA's system notes, they show that the direct debit was initially set up for a minimum payment and then changed to a set £30 payment on 6 November 2016, and that a new direct debit instruction was set up later in November 2016 for that set amount to be reduced to £25. In those circumstances, when the minimum payment exceeded the set amount, the minimum payment would be taken. I can't see that this account was ever set up so that the full payment was taken through a direct debit. I've reviewed the statements produced for the account and can see they are addressed to Mrs M at the address we have for her. The payments to be taken mirror what is set out in the system notes. So, I don't think there's evidence that any mistake has been made, and I think Mrs M should have been aware of the amount being debited. I don't think MBNA were, therefore, unreasonable to add interest to the balance on the account and I'm not asking them to take any action.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 16 June 2025.

Phillip McMahon
Ombudsman