DRN-5732469

The complaint

Mr H complains that MBNA Limited didn't tell him that his promotional interest free rate of interest had ended.

What happened

On 14 September 2023 Mr H opened a credit card account with MBNA. The card had a promotional 0% interest rate for balance transfers for 19 months and a promotional 0% interest rate for money transfers for 12 months.

Mr H made a balance transfer on 18 September 2023 and a money transfer on 27 December 2023.

On 7 May 2025 Mr H made a payment of £3,342.25 to his account. His monthly direct debit of £106.50 was requested on 8 May 2025. On 9 May 2025 Mr H contacted MBNA to request a refund of the direct debit, which was processed. The direct debit was returned as unpaid on 9 May 2025, so MBNA reversed the refund of £106.50.

When Mr H looked at his account in May 2025, he noticed that he'd been charged interest each month which he'd previously been unaware of. He raised a complaint with MBNA about the direct debit payment of £106.50 and about the fact that he hadn't been informed about the expiry of the promotional interest rate.

MBNA didn't uphold the complaint. It said the direct debit had been returned due to cancellation by the paying bank and that although a refund had initially been processed. It was subsequently reversed as the funds were never released by the paying bank. MBNA said the interest charges had been correctly applied in line with the credit agreement and that Mr H had been notified of the promotional rate expiry via statements and an SMS. MBNA also reviewed a complaint point about the service Mr H had received when he called the bank, but this wasn't upheld.

Mr H remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. He said that MBNA had taken reasonable steps to ensure that Mr H was aware of the expiry of the interest free period. The investigator also said he had been unable to find any errors in the way that MBNA had administered the account or in the way Mr H's calls had been handled by the telephony agents.

Mr H didn't agree so 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 Mr H, but I agree with the investigator's opinion. I'll explain why.

I've reviewed the credit agreement. This was signed by Mr H and a copy was provided to him at the time he took out the card. The agreement clearly shows the promotional offers available with the account and the date on which the interest free rate ends in respect of each of the three promotional offers.

I've also reviewed Mr H's monthly statements. This shows the breakdown of the balance (between balance transfer and money transfer) and shows the expiry date of the promotional 0% interest rate.

I've also reviewed information provided by MBNA which shows that SMS messages were successfully sent to Mr H advising him that the promotional period was nearing an end.

Mr H has said that he was forced to use online statements only and that he's had difficulties using the app to access these. MBNA has explained that it began transitioning to paperless statements in November 2023 but that customers have always retained the option to request paper statements via online banking and can opt back into paper statements at any time.

I've reviewed the system notes and contact notes provided by MBNA in relation to Mr H's account, but I can't find any evidence that he contacted them about difficulties accessing statements via the app of regarding any difficulties reading the statements. And whilst I acknowledge that Mr H says he didn't receive the SMS reminders, the information provided by MBNA shows that these were successfully delivered to Mr H's registered telephone number.

Having reviewed all of this information, I'm satisfied that MBNA provided Mr H with adequate information about the promotional interest rate and the date on which it expired. I'm unable to say that MBNA has charged interest incorrectly or made an error with the administration of the account.

Mr H has also complained about a direct debit payment. I've reviewed the account, and I can see that Mr H made a manual payment on 7 May 2025. Mr H's regular direct debit payment was requested on 8 May 2025. Mr H contacted MBNA and requested a refund of the direct debit payment. The agent processed a refund, but the following day Mr H's direct debit was returned unpaid. This means the direct debit never left Mr H's account. MBNA subsequently reversed the refund. If the refund hadn't been reversed, Mr H would've profited by the amount of his (unpaid) – direct debit. Having reviewed what happened, I'm unable to say that MBNA has made an error in the way it administered the refund.

Mr H has complained about the service he received when he called MBNA. I've listened to the calls. There are several calls which cover Mr H making his initial complaint, a call querying why interest had been added to the account, a call about the direct debit and a call after Mr H had received an SMS about his complaint. Having listened to the calls, and although there was one instance where Mr H was transferred without warning to another agent, I haven't found any evidence that the agents were unprofessional or spoke rudely to Mr H.

Taking the available information into account, I haven't found anything to suggest that MBNA has made an error or treated Mr H unfairly. I'm satisfied that Mr H was given adequate information about the promotional rate of interest and the date when the promotional period ended. I'm satisfied that the interest charged to the account has been correctly charged in line with the terms and conditions and that there was no error when the direct debit was refunded and subsequently reversed.

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 Mr H to accept or reject my decision before 26 September 2025.

Emma Davy
Ombudsman