

## **The complaint**

Mr N complains about the way MBNA Limited administered his credit card account during a period of financial difficulty.

## **What happened**

Mr N held a credit card account with MBNA. In May and August 2024, Mr N requested holds on interest and charges through MBNA's online platform. In September 2024, Mr N contacted MBNA and explained he was facing financial difficulties and health challenges. He asked MBNA to agree a further 30-day hold. MBNA agreed to place a hold on the account and asked Mr N to get back in touch the following month to discuss the next steps. Mr N complained that the call took an excessive amount of time and that MBNA's agent had asked intrusive, unacceptable questions about his circumstances. MBNA said it needed to ask about Mr N's circumstances so it could understand how best to support him. It recognised that this might have been distressing for Mr N – and that the call had taken a long time - and paid him £100 compensation.

Mr N made a further complaint a few weeks later after discovering that missed payments had been reported to his credit file. He said MBNA had agreed to put his account on hold, and he understood this to mean no adverse information would be reported during that time. MBNA didn't agree it had made an error – and said it sent Mr N a letter after the hold was agreed explaining that the contractual payments were still due. It said the purpose of the hold was to freeze interest and charges – and that it didn't prevent arrears from accruing.

The complaints were referred to this service. Mr N raised some additional concerns. This included – among other issues - MBNA's handling of a call that took place on 15 October 2024, its failure to agree an affordable payment arrangement and its decision to register a default and terminate the agreement. He wanted MBNA to reinstate his account, remove any adverse information from his credit file and agree a payment arrangement. He asked for compensation of £1,500 to recognise the impact MBNA's actions had on him. One of our Investigators considered the complaint and didn't uphold it. Mr N disagreed with the Investigator's conclusions, and asked to refer the complaint to an Ombudsman for a final decision. So, it's been passed to me to decide.

Our Investigator wrote to both parties to explain that my decision would consider events up until MBNA issued its response to Mr N's complaint on 2 October 2024. A separate complaint was raised with MBNA regarding events after that date – which can be considered separately by this service if Mr N is unhappy with MBNA's response.

## **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'd first like to say I was sorry to hear of Mr N's recent circumstances. It's clear he's been through a difficult time, and he has my sympathy for this. I recognise that I've summarised Mr N's concerns in significantly less detail than he has – and that my summary only

concerns events up until the beginning of October 2024. I'm aware that Mr N has raised several concerns about further events after that date. As previously outlined, in this decision I've only considered the events up until 2 October 2024 – when MBNA issued its response to Mr N's complaint. Events after that date are outside the scope of this decision – and a complaint about these has been referred to MBNA. If Mr N remains unhappy once he's received a response, he can refer those issues back to this service to be considered separately.

I also understand Mr N has raised wider concerns about MBNA's conduct – including concerns that its actions were discriminatory and that it breached Financial Conduct Authority (FCA) rules. But these concerns relate specifically to events that took place after MBNA issued its response to Mr N - so fall outside the scope of this complaint. So, I haven't considered those points and won't comment on them further in this decision.

Mr N says that when requesting a hold on his account, he understood this to mean he didn't need to make a payment and that no adverse information would be reported. But the holds agreed by MBNA are different to a formal period of breathing space or a payment arrangement. Typically, a hold is intended to provide short-term relief from interest and charges – but any contractually required payments will still be due.

I've seen the letters MBNA issued to Mr N following each of his requests. These letters outline that interest and charges would be stopped during the hold, and state the following:

***“Please continue to pay your contractual payments if you can***

*This hold won't clear the amount you are behind by and your contractual monthly payments are still due each month during this hold. We won't remind you to make these payments, but if you miss any during this time, you will still need to catch up with them. (...)*

***Your credit score may be affected***

*Being on this hold won't affect your credit score, but being behind with your payments can. This can make it harder and more costly for you to borrow money in the future. It may also stay on your credit file for six years, but the impact on your credit score will reduce if you keep up with your payments.”*

Based on this, I'm satisfied Mr N was made aware following each of the hold requests that he was still contractually required to make payments, and that not doing so could impact his credit file. It's not disputed that Mr N didn't make the required payments in August and September 2024. MBNA was required to report true and accurate information about the account – and I'm satisfied it did so by reporting these payments as missed.

Mr N was also unhappy with the call of 4 September 2024. Although MBNA hasn't been able to provide a recording, the contents of the call itself aren't in dispute. MBNA accepts that the call took a long time, and that it asked Mr N questions about his circumstances after being made aware of his financial difficulties. While I can understand why he may have found it upsetting to be asked about his personal circumstances, MBNA had a duty to ensure it was providing Mr N with appropriate support and forbearance. To do this, it needed to understand Mr N's circumstances so it could assess the appropriate level of support. MBNA agreed to place the account on a 30-day hold and reassess the situation the following month – which is what Mr N wanted it to do. So, I'm satisfied it treated him fairly in the circumstances.

I appreciate this will come as a disappointment to Mr N, but I haven't seen anything to persuade me that MBNA made an error or treated him unfairly by reporting the missed

payments. MBNA paid Mr N £100 to recognise the length of time he spent on the phone – and I don't require it to do anything more than that.

### **My final decision**

For the reasons I've explained, my final decision is that I don't uphold Mr N's complaint about MBNA Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 10 February 2026.

Stephen Billings  
**Ombudsman**