

The complaint

Mr M is unhappy that MBNA Limited didn't send him a new credit card, placed a block on his account and said it would close his credit card account.

What happened

Mr M said he contacted MBNA because he was going to be late making a payment on his account in November 2024. After the payment due date, MBNA sent a letter to Mr M and explained that it had reviewed his account and decided it would close it, giving two months' notice and wouldn't send out a new card, meaning Mr M couldn't spend further on the account.

MBNA said it wrote to Mr M in February 2025 and confirmed once the balance was repaid it would close the account.

Mr M complained he didn't get a new card and said he wasn't told his account would be blocked. He said he didn't think MBNA was helping him and wanted it to pay him compensation.

Mr M referred his complaint to the Financial Ombudsman. Our investigator considered the complaint but didn't think MBNA acted unfairly. Mr M didn't agree as he said he thought MBNA decided to close his account because of late payments, which he said was because he didn't receive statements and there was trouble with the post. He said he didn't think anyone was helping him and wanted compensation to be paid.

As the matter remains unresolved it has been passed to me to decide.

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 want to acknowledge that I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I want to assure Mr M and MBNA that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

I've spoken with Mr M and understand he feels strongly about this matter. He said he doesn't feel like he is being helped. I'm sorry to hear that Mr M feels this way. My role is to consider whether MBNA acted fairly when it decided to stop spending on the credit card and said it would close the account and I've taken into account what Mr M has told me, when reviewing this.

For me to direct MBNA to pay compensation I'd need to see that it made a mistake when it said that it wouldn't allow further spending on the account and then when it decided to close

it. Mr M has mentioned that he didn't receive statements, and this is why he didn't make payments on time.

The case notes MBNA has provided show that Mr M complained he wasn't told there would be a block on his card and he didn't receive a new credit card after his expired.

I've focused on the following in my decision:

- Did MBNA act fairly when it decided not to send Mr M a new card and close his account and tell him it was going to do this.
- If I don't think MBNA acted fairly, does it need to pay compensation?

MBNA explained that it stopped spending on Mr M's account and decided to close it after reviewing information held on its internal systems and from credit reference agencies. I can see from the general terms and conditions; MBNA can stop customers using their accounts if it has concerns about their ability to repay in line with its risk parameters. I appreciate Mr M has raised concerns about receiving statements late which meant he was late in making his monthly payments. I can't see this has been raised as a specific concern with MBNA, which would have to happen in the first place.

While MBNA hasn't specified exactly what triggered the review of Mr M's account that led to the block and ultimately, its decision to close the account, it has explained this decision wasn't based on account conduct alone. It has said that it considers a number of factors including information about Mr M, account history and information from the credit reference agencies. Based on the information MBNA has provided to this service, I don't think it acted unfairly when it decided to place a block on Mr M's account and said it wouldn't send further credit cards out to stop spending on the account.

MBNA sent Mr M the letter dated 12 November 2024. This explained that it regularly reviews credit card accounts to check whether the amount borrowed remains manageable. It explained that it reviewed Mr M's credit card account and it was going to close the account two months from the date of the letter. It then placed a block on the credit card account in February 2025 in line with the notice it sent to Mr M.

I understand that Mr A feels very strongly about the closure of his account and feels that MBNA has treated him unfairly and wants compensation. This service isn't able to interfere with the MBNA's decision to close the account, and because the MBNA has acted in line with the terms and conditions and has given reasonable notice of the closure. I haven't seen anything to suggest that MBNA has applied its processes unfairly on Mr M's account.

I appreciate that Mr M wasn't expecting his account to be closed. However, I think the notice period given was reasonable and in line with what MBNA's terms and conditions. MBNA also explained what it considers when taking its decision to place a block on the account and close it. I think MBNA acted fairly, so I won't be directing it to pay any compensation.

My final decision

My final decision is that I don't uphold this complaint and don't require MBNA to pay Mr M any compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 26 December 2025.

Amina Rashid

Ombudsman