

The complaint

Mr B is unhappy about several aspects of the service he's received from Capital One (Europe) plc surrounding the closure of his accounts.

What happened

In December 2024, Capital One made the decision to no longer offer accounts to Mr B as they felt his language and behaviour towards their staff was unacceptable. Capital One sent a letter to Mr B on 4 December informing him of this and explaining that while his accounts held balances outstanding, they would be closed with a zero balance in 60 days' time and marked as 'partially settled' on his credit file.

The letter also explained that Capital One retained the right to offset the outstanding balance of the accounts against any future claims that Mr B might bring against Capital One, but that Mr B could make payments to fully settle the accounts if he wanted to.

In April 2025, Mr B received a letter from Capital One confirming that his accounts were closed with a zero balance. Mr B then raised a complaint with Capital One as he was unhappy at what had happened and that no one at Capital One would discuss his accounts with him. Mr B was also unhappy about comments Capital One staff had made about his parents when speaking with him, and about a Payment Protection Insurance ("PPI") claim that he had made.

Capital One responded to Mr B but didn't feel they'd done anything wrong and didn't uphold his complaint. Mr B wasn't satisfied with Capital One's response, so he referred his complaint to this service where it was considered by one of our investigators. However, our investigator didn't feel that Capital One had acted unfairly towards Mr B as he felt was the case. Mr B remained dissatisfied, so the matter was escalated to an ombudsman for a final decision.

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.

Capital One chose to no longer provide accounts to Mr B because they felt that his behaviour towards their staff was unacceptable. The terms and conditions of Capital One's accounts include that they can choose to close accounts on this basis if an account holder is 'threatening or abusive'. I've listened to several recorded calls provided to this service by Capital One, and having done so, I feel that Capital One's assessment of Mr B's behaviour towards their staff was reasonable and that it was fair of them to invoke their right to close Mr B's accounts.

Capital One sent notice to Mr B that they would close his accounts in December 2024 and followed this with a letter in April 2025 which confirmed that the accounts were closed. Mr B complained to Capital One as he was uncertain about exactly how or on what basis his accounts had been closed.

I've reviewed the letter that Capital One sent to Mr B in December 2024 and I feel that it was clear in its explanation. However, to confirm, Capital One closed Mr B's accounts because they felt his behaviour towards their staff was unacceptable. When closing Mr B's accounts, while there were balances outstanding at the time of closure, the accounts were closed with a zero balance – meaning that Capital One would not actively pursue Mr B for the balances that had been outstanding at the point of closure.

However, because Mr B did owe money to Capital One, his accounts were reported as partially settled to the credit reference agencies. This feels fair to me, especially given that Capital One explained to Mr B in the letter that he could make payments to clear the outstanding balances and that, if he did so, Capital One would update their credit reporting to show Mr B's accounts as being fully settled.

Capital One also confirmed that they retained the right to offset the outstanding balances that Mr B owed against any future claims Mr B might bring against them. Again, this feels fair to me, as it means that if Capital One are deemed to owe money to Mr B for any reason moving forwards, they can offset the money that Mr B owes them against that potential amount.

Mr B has said that someone at Capital One told him that his accounts were paid in full, i.e. fully settled. I haven't heard that in any of the calls provided to this service by Capital One or seen any reference to Mr B's account being fully settled in any of the notes or documents I've reviewed. Such a statement is also in direct contradiction to the letters that Capital One sent Mr B, as discussed above.

As such, if it were the case that a member of Capital One's staff told Mr B that his accounts were fully settled, I'm satisfied that would have been a mistake by that member of staff. And if Mr B were told as such, I don't feel that any form of action is fairly required from Capital One, because the mistake had no bearing on the truth of the matter, which is that the accounts were partially settled, which had been explained to Mr B by Capital One in their letters. I also don't feel that the impact on Mr B of being potentially told such incorrect information would be significant such that any form of compensation should be merited.

Mr B has also said that a member of Capital One's staff made disparaging remarks about his parents. Again, this isn't evident in any of the calls that I've listened to, all of which show a standard of professionalism from Capital One's staff that would make such a comment surprising to me. And as Mr B's testimony surrounding this point presently stands, I'm not persuaded that it would be fair or reasonable for me to instruct Capital One to pay any compensation to Mr B regarding this allegation.

Finally, Mr B has said that he feels that a PPI claim he made had an impact on Capital One's actions, and he's referred to a cheque he received from Capital One which he feels was related to this. However, Capital One have explained that the cheque they sent to Mr B was a reimbursement of two payments of £65 they received on his accounts after the accounts were closed. This explanation feels reasonable to me. I also note that the government mandated deadline for PPI claims to be made had passed in August 2019. Because of this, I feel that it's highly unlikely that a PPI claim would have any impact on Capital One's actions in December 2024.

All of which means that I don't feel that Capital One have acted unfairly towards Mr B as he feels is the case. This is because I feel that Capital One acted fairly in making the decision to close Mr B's accounts and in how they then proceeded to close Mr B's accounts. I also don't feel that Capital One can reasonably be said to have provided poor service to Mr B in the manner he contends.

It follows therefore that I won't be upholding this complaint or instructing Capital One to take any for of action. I hope that Mr B will understand, given what I've explained, why I've made the final decision that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 16 March 2026.

Paul Cooper
Ombudsman