

## **The complaint**

Miss C complains about interest and charges applied to her ONMO credit card account.

## **What happened**

Miss C used ONMO's app, which told her the minimum repayment was £51.69. Miss C made this payment, but her statement showed the actual minimum payment due was £59.73. ONMO then charged her £66.39 in interest on the outstanding balance of her account. This caused her to exceed her credit limit and ONMO blocked access to her account.

Miss C said if she had been informed clearly that she needed to repay £59.73, she would have avoided paying interest. She complained to ONMO.

In its final response of 23 June 2025, ONMO said the minimum repayment due shown on her May 2025 statement was £59.73. Since her statement had been generated, she'd received since a refund of £8.04 from a retailer. This reduced the minimum repayment owed to £51.59. However, as the outstanding balance had not been repaid in full, interest was applied in line with the terms and conditions of her credit card account. ONMO said Miss C's account was currently £200 over the agreed credit limit so she was unable to make further transactions using her account.

Miss C referred her complaint to our service. She was unhappy that the minimum payment shown wouldn't prevent her account from exceeding its agreed credit limit.

One of our investigators explained to Miss C that our service wouldn't address her recent complaint that ONMO prevented her from making the minimum repayment and only allowed her to pay the overlimit amount. The investigator also let Miss C know ONMO wasn't obliged to suspend interest or charges because she'd made a complaint.

Having investigated Miss C's complaint, our investigator said ONMO hadn't made an error. They said Miss C would still have been charged interest on the outstanding balance of her account even if she'd made the higher minimum repayment. In response, Miss C said ONMO clearly didn't charge the right minimum repayment as it didn't prevent her from exceeding her account limit after interest was applied.

Miss C didn't feel ONMO had treated her fairly, so her complaint was referred for a 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.

I confirm my decision covers ONMO's actions until 23 June 2025. If Miss C has a complaint about ONMO's actions after this date, including the interest and charges applied to her

account after this date, she should make a new complaint to it directly.

I've reviewed Miss C's statements, which showed she made the minimum repayment due in May 2025. I've seen nothing to suggest she was given incorrect information. The terms and conditions of Miss C's account set out that the minimum repayment will be the higher of £10, or the interest added to her account for the statement period, other charges and fees and 3% of her unpaid balance of purchases, transactions and balance transfers.

Whilst I acknowledge Miss C's comments that this calculation doesn't take into account any payment needed to avoid her exceeding her limit, I've not seen any evidence to show ONMO breached the terms of her account when calculating its minimum payment required. It isn't for our service to tell ONMO to change its processes or the way it operates.

I accept the interest applied to Miss C's account caused it to exceed its agreed limit. However, this doesn't mean that ONMO wasn't entitled to charge this interest. The terms and conditions of the account also say that if the outstanding balance is not repaid in full by the payment due date, ONMO will charge interest. So, even if Miss C had repaid the higher minimum repayment shown on her statement rather than the app, she would still have been charged interest. I've not seen any evidence to show that ONMO charged interest or charges applied to Miss C's account incorrectly prior to its final response to her complaint.

I note Miss C asked ONMO to suspend interest and charges whilst her complaint was being investigated but it wasn't obliged to do so. As Miss C's account had exceeded the agreed limit, ONMO was entitled to ask her to repay the overlimit amount right away. ONMO was entitled to record any information about Miss C's account being over the limit, or payment history, until the date of its final response. This is because ONMO is obliged to ensure her credit file is an accurate record of her payment history.

Whilst I appreciate Miss C is likely to be disappointed with my decision, I don't think ONMO made an error in relation to her account prior to its final response of June 2025. So, I've not recommended it take any action to put things right.

### **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 Miss C to accept or reject my decision before 12 March 2026.

Victoria Blackwood  
**Ombudsman**