

The complaint

Miss T complains that MBNA Limited sent her loan statement to an incorrect address.

What happened

Miss T holds a loan account with MBNA.

In July 2023 Miss T notified MBNA of a change of address.

In January 2025 Miss T received a letter from MBNA advising her that her loan statement had been sent to her previous address, as her address details hadn't been updated in July 2023.

Miss T complained to MBNA. She felt that the correspondence she'd received was misleading and she was concerned about the impact of her personal information being sent to the wrong address.

MBNA acknowledged that it had made an error when it failed to update Miss T's address in July 2023. It said it was making a payment of £682.56 to her account in respect of the interest that shouldn't have been charged on her loan between 14 January 2024 and 29 August 2024. MBNA also acknowledged that it had misinformed Miss T during the complaint review and paid compensation of £300 for any distress and inconvenience caused.

Miss T remained unhappy and brought her complaint to this service. She says the refund is incorrect because it covers the wrong statement /charging period. She says she should've received a refund for 2023 as well as 2024 because she didn't receive a loan statement in either of those years.

Our investigator upheld the complaint. She said the statement that MBNA had sent to Miss T's previous address was dated 5 December 2023 and covered a period from 15 December 2022 to 5 December 2023. The investigator said that the interest refunded by MBNA related to the wrong period (14 January 2024 to 29 August 2024) and that it should be recalculated. The investigator said that MBNA should pay a further £200 to Miss T for the distress and inconvenience caused by the delay in responding to her subject access request.

MBNA responded and said it agreed to pay a further £200 compensation. It said it had issued a loan statement to Miss T at the correct address on 12 September 2024. MBNA didn't comment on the investigator's view that the interest refund covered the incorrect period.

Miss T said she hadn't received a loan statement in 2024 and asked for evidence that MBNA had sent her a loan statement on 12 September 2024.

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.

MBNA has acknowledged that it made an error when it failed to update Miss T's address in July 2023. It has also acknowledged that there was a delay in responding to her DSAR. MBNA has already paid compensation of £300 and has agreed to pay further compensation of £200.

The issue which remains between the parties is the interest refund. MBNA has refunded interest of £682.56 which it said related to interest charged between 14 January 2024 to 29 August 2024 (the date when Miss T settled and closed the loan account).

The basis for a refund of interest arises by virtue of section 77a of the Consumer Credit Act. This states that if a lender fails to provide an annual statement when required, the customer is not liable to pay interest during the period of non-compliance.

MBNA has said that the period of non-compliance was 14 January 2024 (the date when Miss T should've received the annual statement) to 29 August 2024 (the date the account was closed). It says there is no refund of interest due between December 2022 and December 2023 because interest was charged correctly during this period.

MBNA says it sent Miss T a loan statement on 12 September 2024. It has provided system notes which say the loan statement was sent to Miss T at her correct address. Miss T says she didn't receive a loan statement in 2024.

Having reviewed all of the available information, I agree with the investigators view that MBNA has refunded interest for the incorrect period. The statement that MBNA incorrectly sent to Miss T's previous address was dated 5 December 2023 and covered the period 15 December 2022 to 5 December 2023. This was therefore a period of non-compliance and interest should therefore be refunded for this period.

In relation to the 2024 statement, I've reviewed the loan contact notes which say that closing loan statement was produced on 12 September 2024. However, I'm not persuaded that the contact notes are enough to prove that the loan statement was sent to Miss T. MBNA hasn't been able to provide clear evidence that the closing loan statement was sent, and Miss T is adamant that she didn't receive it. On balance, I'm not persuaded based on the available evidence that MBNA have shown that the loan statement was sent to Miss T.

Therefore, a refund of interest is also due in respect of 2024. Based on what I've seen, this has already been refunded (period 14 January 2024 to 29 August 2024).

Putting things right

To put things right MBNA Limited must:

Calculate and refund interest charged to Miss T during the period of non-compliance 15 December 2022 to 5 December 2023.

Pay further compensation of £200 for the distress and inconvenience caused by the delay in responding to Miss T's DSAR.

My final decision

My final decision is that I uphold the complaint. MBNA Limited must take the steps I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 22 February 2026.

Emma Davy
Ombudsman