

The complaint

Miss K complains that Capital One (Europe) plc unfairly defaulted her credit card account.

What happened

Miss K held a credit card with Capital One. Across 2025, several repayments were missed; multiple repayment plans were agreed to address the arrears, but all failed and Miss K's account ultimately defaulted in October. Miss K thought that was unfair, so she complained.

In response, Capital One defended its actions; it said the credit card had been correctly defaulted given repayments hadn't been made. Miss K argued that she was pregnant and in hospital around the time a repayment was due, and she consequently hadn't been able to reach a high-street bank to make that payment. Capital One, though, didn't change its stance.

Miss K referred the matter to this Service for an independent review. An Investigator here looked at what had happened; having done so, they didn't think Miss K's complaint should be upheld. The Investigator thought Capital One had reasonably decided to default the credit card after all the missed payments and broken repayment plans. While the Investigator did acknowledge Miss K had indeed been in hospital, they didn't think that made a difference to the overall outcome. Miss K then asked for an Ombudsman's decision. So, as no agreement has been reached, her complaint 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.

Having done so, I'll say that I've no doubt how – at the time her account defaulted – Miss K's priority was the health of both herself and her new baby. That's entirely understandable, and I was sorry to read of the issues Miss K says she experienced; I do hope that both she and her child are in good health.

Looking at the matter she's brought to us here though, while this will be disappointing, I don't think Miss K's complaint should be upheld. In summary, I don't think Capital One's decision to default her credit card account was unreasonable in the circumstances. I'll explain why.

As I understand it, Miss K had arranged four separate repayment plans after missing repayments several times across 2025; each plan failed. Looking at the fourth and final plan agreed between Miss K and Capital One, I can see it was arranged shortly after Miss K had been served a Default Notice – that notice set out that the arrears needed to be repaid by 26 September 2025. The first payment due under the final repayment plan was to be paid slightly earlier than the demand set out in the Default Notice, on 20 September 2025, but from what I can see no payment was made. No payment was made by the date set out in the Default Notice either. So, in my view, it wasn't unreasonable of Capital One to consider

both the fourth plan to have been broken *and* the requirements of the Default Notice to be unaddressed. Put simply, Miss K hadn't paid the required amount by either the date stipulated in her repayment plan or in the Default Notice.

It's correct to say that Miss K was in hospital around this time. She's provided the dates of her admission as between 24 and 29 September, and I've no reason at all to doubt anything she's said in her testimony about this period. Again, I entirely accept that her priorities would've been elsewhere. I don't think, though, it inevitably follows that Capital One acted unfairly by defaulting the credit card while Miss K was in hospital – nor that it should retrospectively, in hindsight, amend her credit file.

The timing is, of course, unfortunate; but by the point Miss K was admitted to hospital she'd already missed the repayment date set out in her plan (and, subsequently, the date in the Default Notice) and hadn't contacted Capital One. In such circumstances Capital One could, quite reasonably, continue its collections process. There's nothing preventing it from doing so; in fact, applying a default at the point it did, keeping in mind four successive, failed, repayment plans, and no sign of Miss K making meaningful progress towards repaying what she owes, was likely the most appropriate form of forbearance given it stopped further interest and charges.

Moreover, while I've no doubt Miss K had every intention to repay, I've not been provided with anything to persuade me that the first repayment required under her plan would or could have been successfully made – or that further payments could be maintained. Miss K broke the repayment plan at the first payment and, from the perspective of Capital One, when reviewing such account management alongside Miss K's recent and repeated payment issues, I can understand why it felt the correct decision was to progress to default. I don't think such a view was irrational.

In summary then, while I certainly empathise with Miss K, I can't conclude that Capital One acted in an inherently unreasonable way here. Miss K didn't make the required repayment as set out in either her final repayment plan or the Default Notice and, in these circumstances, I think Capital One had cause to consider a default the most appropriate course of action. There's nothing which persuades me the default should now be reversed.

My final decision

My final decision is that I don't uphold Miss K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 7 May 2026.

Simon Louth
Ombudsman