

complaint

Mrs C complains about the service she received from the Capital One (Europe) plc (Capital One) when she closed her credit card account with them in March 2019.

background

Mrs C had two credit cards at the relevant time; one with Capital One and the other with NewDay. She was wanting to do a balance transfer from her Capital One account to her New Day account, but decided not to go ahead with it because she was worried about sending Capital One her NewDay card information through the post.

She therefore called Capital One to close her account and offered to pay half of her outstanding balance which Capital One didn't accept. She is unhappy that Capital One then offered her a repayment plan and sent her debt advice letters, as she doesn't have any problems with her finances.

Capital One said that once Mrs C had offered to pay only half of the outstanding balance, they wanted to review her account which is why they sent her an income and expenditure form. They also sent the debt advice letters because Mrs C had said she only wanted to pay half of the balance, which led them to believe she may be struggling financially. And they said that a Bank has a duty to help customers who are struggling financially.

Capital One did acknowledge that they hadn't followed their procedures correctly by failing initially to refer Mrs C's request for a reduced settlement to their specialist team, but confirmed that they did in fact do so when they realised the error. They also said that they had fed back the complaint to their associate concerned to prevent any recurrence.

Mrs C was unhappy with Capital One's response and so an investigator from this service looked into the complaint but didn't think it had done anything wrong. Mrs C disagreed with that view and so the matter has been passed to me for a final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I will not repeat the investigator's summary of the background to this complaint because it is accurate and full and I want to avoid repetition. But, if it appears that I haven't mentioned something it is not because I have ignored it, but because I don't think it's relevant to the issues I have to decide.

When Mrs C said she wanted to close her account she offered to pay £134.51 from her outstanding balance of £263.87. I think it is a reasonable assumption to make from such an offer, that the reason she wasn't offering to pay the entire balance was because she was experiencing some financial problem at that time. So I think it is reasonable for Capital One to have sent Mrs C both an income and expenditure form, and their debt advice letters in those circumstances.

As our investigator found, Mrs C had previously operated her account well, paying back more than the minimum monthly repayment. That indicates that Mrs C was managing her account and would be able to pay the debt in due course. On that basis there was no valid reason for Capital One to accept her partial offer of settlement as she had not been experiencing financial difficulty. But, it was reasonable for Capital One to make an enquiry

into whether she then was, as her financial circumstances could have changed and led to her making the reduced offer to repay the balance.

What I need to decide is whether Capital One acted fairly and reasonably in how it dealt with Mrs C. They listened to her offer of partial settlement, considered it and then decided not to accept it. That was perfectly reasonable and they were entitled to do that, and in doing so have not been unfair.

Capital One also reacted to her offer by sending her the advice letters and the income and expenditure form. I am satisfied that what they were trying to do was to help Mrs C given the implication contained within the partial settlement offer.

So I can't say that Capital One has done anything wrong nor treated Mrs C unfairly, and so I'm not going to ask it to do anything further.

my final decision

For the reasons set out above I do not uphold the complaint against Capital One (Europe) plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 1 August 2019.

Jonathan Willis
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