

complaint

Ms J complains that Capital One (Europe) plc has unfairly recorded a default with the credit rating agencies against her credit card account. She wants the information on her file to be amended.

background

Ms J had some financial difficulties because she was out of work and could not meet all of her financial commitments. With the assistance of the Citizens Advice Bureau she offered to pay Capital One £1 per month towards her outstanding debt. Capital One accepted the offer and stopped all interest and charges. Because she was not meeting the normal contractual payments, Capital One defaulted the account and notified the credit rating agencies. Several months later Ms J repaid half of the outstanding debt and Capital One agreed to not seek repayment of the balance. The debt was recorded as partially settled with the credit agencies.

Ms J says that because of the excessive charges she paid to Capital One over the years, it should treat the debt as effectively repaid. She wants it to remove the default from her file and show the debt as satisfied. Capital One says that it is required to report accurate information to the credit rating agencies and will not amend her records.

The adjudicator recommended that the complaint should be upheld in part. He concluded that the information recorded was factually correct and should not be amended. He found that when Ms J told Capital One about her financial difficulties, it was slow to suspend interest and charges. He recommended that Capital One refund half of the interest charged for a six month period. This was £110.92. Capital One agreed to refund this money to the account. This would only reduce the amount it had already agreed to write off. Ms J still considered that Capital One had acted unfairly and should amend her credit file.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I recognise that Ms J has experienced some financial difficulties and that she tried hard to manage her finances carefully and to repay her debts. I also understand her frustration that despite her efforts this default has been placed on her credit rating file. I understand that Ms J paid a significant amount in interest and fees over a period of time. But I do not consider that Capital One's actions were unreasonable or unfair. I conclude that the information recorded on her credit file is accurate and I do not require Capital One to make any changes.

I agree with the adjudicator's conclusion that Capital One could have responded more quickly to notice of her financial difficulties. I consider that the decision to refund interest of £110.92 is fair and reasonable.

my final decision

My final decision is that Capital One (Europe) plc should refund interest of £110.92 to Ms J's account in full and final settlement of this complaint.

John Thornton
ombudsman