

complaint

Mr H complains that MBNA Limited didn't tell him it would substantially increase the interest rate on his credit card account. He is unhappy that the interest being charged is not immediately obvious on its online statements unlike its paper statements.

background

Mr H took advantage of MBNA's interest free offer but because he had opted to receive his statements online he didn't realise the interest free period had expired. He didn't find out until MBNA had sent him his annual statement. MBNA sends him regular promotional emails so he thought it should've sent him an email near the end of the expiry date of the interest free offer.

The adjudicator didn't recommend Mr H's complaint should be upheld. She said there was a difference between paper statements and online statements as the later contained more information. She thought the onus was on Mr H to know when the rate was going to change.

Mr H thought the adjudicator had misunderstood the nature of his complaint. He said it was unacceptable that MBNA had made a conscious decision not to put important information on the first page of its online statements. He was disappointed the adjudicator didn't recommend that MBNA should notify its customers about the increase in interest rates even if the onus is on the consumer to know when this is going to happen.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr H is concerned that MBNA puts the relevant interest rate on the fourth page of its online statements but on the first page of its paper statements. I appreciate his concern and frustration but our role is to decide if a bank has made a mistake and what it should do to put the customer back in the position he or she would've been if the bank hadn't made any error. Mr H seems to accept that the onus is on him to know when the interest free period expires as the date was given at the beginning of the period. So I can't find the bank has done anything wrong by not notifying him near the end of the expiry period. And under the rules under which we operate I can't order the bank to change its internal procedures so I can't tell it to notify customers when they are coming to the end of their interest free credit. For the same reason I can't tell the bank to put the rate of interest charged on the first page of its online statements.

I know Mr H will be disappointed by my decision but for the reasons I've given I don't find MBNA has made any error.

my final decision

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 8 April 2016.

Linda Freestone
ombudsman