

complaint

Mr T's complaint concerns his credit card and an associated payment protection insurance (PPI) policy – both sold by Capital One (Europe) plc. He is unhappy that a debt remains on the card after having made a successful claim on the PPI policy and with Capital One's pursuit of the debt.

our initial conclusions

Our adjudicators did not recommend that the complaint should be upheld. They considered that the debt had not been fully repaid by Mr T's PPI claim. As such, they were of the view that Capital One was entitled to pursue the outstanding debt and had not made any errors in doing so.

Further the adjudicators also told Mr T that any complaint about the insurance claim itself should be raised with the insurer and that any complaint about the sale of the PPI policy should be raised separately with Capital One.

Mr T responded to say that the PPI policy was not sold at the same time as the credit card was taken. Moreover, he is unhappy with the way Capital One pursued the debt – that it continued to apply interest and to make collections calls – whilst well aware that he was very unwell.

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 cannot look at the new points Mr T has raised

Mr T has raised a number of points which relate to the sale of the PPI policy by Capital One. However, his original complaint was that the debt had not been repaid by his PPI claim and he was, therefore, unhappy that Capital One was still pursuing a debt. I have a great deal of sympathy for Mr T and what he has been going through but I am afraid I will disappoint him on this point – my consideration of the matter is limited to the points he raised initially.

I understand that the adjudicator set up a new complaint about the sale of PPI by Capital One. But he needs to raise this new issue with it first before we can consider it. Should Mr T be dissatisfied with the response he ultimately receives from Capital One he can bring that issue back to us as a separate complaint.

It appears that Mr T might also consider that his successful PPI claim did not pay out as much as it should or as much as the insurer indicated it would. But, if that is the case, he would need to raise a complaint directly with the insurer.

is there an outstanding debt?

A letter from Mr T's consultant dated 22 July 2010 makes it clear that Mr T was very unwell, and undergoing treatment, at that time. The balance of his credit card statement issued in July 2010 was £1,467.47. Having reviewed the credit card statements after that time it is clear that Capital One continued to apply interest and charges and that Mr T continued to make repayments and, up until September 2011, to use the card to make purchases.

Mr T stopped making repayments to the card in February 2012 and in May 2012 a payment of £1,760.96 was made by his insurer under the PPI policy. That payment did not repay the balance in full and Mr T considers it unfair that Capital One continued to apply interest whilst he was unwell.

Having reviewed the account notes I am not persuaded that Mr T put Capital One on notice of his medical condition as soon as he became unwell. In any case, whilst businesses are obliged to respond to consumers' financial difficulties in a positive and sympathetic manner there is no duty to stop interest or charges if a consumer is unwell. In this instance I see that Mr T was able to make contractual repayments to his credit card even though he was clearly very unwell.

Mr T stopped making repayments to his credit card in February 2012 and, having reviewed the statements of the account, I note that Capital One did not apply interest during April, May, June, August, September or October 2012. I note that the balance on the credit card statement of October 2012 was £1,482.23 and the debt was still at that figure when the account was defaulted in May 2013. So, it seems to me that Capital One acted reasonably in response to Mr T's difficulties. Whilst I sympathise with Mr T, I cannot fairly conclude that Capital One should have done any more than it did.

can Capital One reasonably pursue the remaining debt?

I understand Mr T feels that Capital One was too vigorous in its pursuit of the debt. However, given that no repayments were made after the PPI policy paid out – and having reviewed Capital One's notes – I am not persuaded that to be the case.

I am satisfied that there is a remaining debt for which Mr T remains liable. It follows that I find that Capital One made no error in pursuing Mr T for the debt or when it later sold the debt.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr T to accept or reject my decision before 10 March 2015.

Joyce Gordon
ombudsman