

The Financial Ombudsperson Service
Exchange Tower
London E14 9SR

21 June, 2017

Dear Ombudsperson

Co-op Bank reference: 670051 / 16 June 2017

On 13 June 2107, I wrote to the Co-op Bank to complain about the muddled presentation of my credit card account. I attach a section of this letter.

The presentation mixes a balance on the current day with a balance as at three weeks earlier. The "Full repayment amount" due on the "Payment due date" is incorrect: the amount due is the amount of the previous credit card statement minus any payments made since the date of issue of the statement.

Indeed, before I looked into the situation further, I was on the verge of making the indicated payment £885.83, which would have violated the bank's policies forbidding running up credit on my credit card.

The Co-op Bank has replied with an explanation of the meaning of the various elements presented, together with the outrageous suggestion that I can always check the list of transactions and calculate by hand how much is owed.

It is incumbent on banks to present their customers with clear and detailed accounting of their financial situation. This presentation needs to be focussed on the client's-eye view of their finances, not on the bank's-eye view of the situation. I have indicated in my letter the changes required.

I do not accept the Co-op Bank's position that my complaint will be passed to a team to be considered at a later date. This is a standard deflection tactic used by most institutions to fob-off complaints into the indeterminate future. I would like to see a clear commitment to remedying this defect together with a clear timescale for its implementation, not only at the Co-op but at all banks.

Moreover, I am involved* in a mental health charity that is part of an initiative to create a pioneering "Mental Health and Money Advice Service", supported by Lloyds Bank. One in four people are affected by poor mental health and, of these, around four million will also struggle with their financial wellbeing.

In that context, I am understandably concerned that the financial information provided by banks be as intelligible and easy to use as possible. The fact that I am a finance director of a number of companies and yet struggle to understand my own credit card account suggests [a] that I am losing my marbles and [b] that those less well versed in finance than me will be totally lost.

Either way, whether old age dementia, or more general befuddlement, I would like to see a commitment from all banks to review all of their processes from the point of view of their customers, with a view to improving the intelligibility of financial presentations.

In summary, I would ask the FOS to insist on a clear commit to remedying the defect outlined above, with a clear timescale for its implementation, not only at the Co-op but at all banks.

Thanks for your time.

Yours etc.

smile customer response
Ground Floor, Miller Street,
Manchester, M60 0AL

13 June, 2107

Dear smile,

I am writing to complain about the muddled and misleading presentation of information about my credit card account.

The “Current balance” is a snapshot of the current position (11 June 17).

The “Full repayment amount” [a] is a snapshot of the position on 17 May 17, as is the “Min. payment amount” [b].

If a payment has been made subsequent to 17 May 17, neither the “Full repayment amount” nor the “Min. payment amount” are correct.

Account summary		Sta
Current balance	?	£707.18
Available to spend	?	£2021.00
Credit limit	?	£2800.00
<hr/>		
Last statement date		17/05/17
Payment due date		12/06/17
Full repayment amount		£885.83
Min. payment amount		£53.00
<small>If you only make the minimum payment each month it will take longer and cost you more to clear your balance.</small>		

(Why is “Min. payment amount” not spelled out fully - there is more than enough space. What does “Min.” mean?)

It is confusing and misleading to muddle a balance sheet position at one date (11 June) and that at another date (17 May). It is impossible to know without a manual calculation (as proposed by customer service) how much is owing on the current date.

A payment of £885.83 was in fact made on the 19 May; the bank knows of this payment, as evidenced by its appearance in the transactions listing of the credit card account; but this payment does not appear in the summary.

Last updated: 12/06/2017 at 07:43

Date	Description	Money in
18/05/17	CASHBACK	£0.02
19/05/17	PAYMENT RECEIVED - THA...	£885.83

In reality, the position as at 11 June 17 is:

[a] Full repayment amount: zero

[b] Min. payment amount: zero

But there is no way to know this from the “summary”. Indeed, this is not a “summary”; it is a muddle.

At a minimum, it needs to be made clear that [a] and [b] relate to a time in the past, and additional information needs to be presented of how much is actually owing on the current date, and by when.