

## **The complaint**

In summary, Mrs F complains that The Co-operative Bank Plc, refunded a payment that she had made to her credit card account by mistake, back to the current account she made the payment from. And she doesn't think it has calculated her statement correctly after the overpayment was refunded.

## **What happened**

In September 2023, Mrs F made a payment to her credit card account. At the beginning of October 2023, Mrs F made the same payment again by mistake. When Mrs F realised, she had done this, she asked The Co-op to refund the payment she had made by mistake. The refund was made to Mrs F's current account.

When she received her next credit card statement, Mrs F was concerned at the amount she had to pay. She didn't think The Co-op had calculated her statement correctly. In response to Mrs F's complaint, The Co-op explained why it hadn't done anything wrong.

One of our investigators looked into Mrs F's concerns. They explained why they didn't think The Co-op had done anything wrong. Mrs F didn't agree. She believed she had made the payment 3 times. As no agreement could be reached, the complaint was referred to me for review.

## **What I've decided – and why**

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

Having done so I have decided not to uphold Mrs F's complaint. I'll explain why.

It's not in dispute that Mrs F made a mistake and made payments against the outstanding balance on her credit card account twice, and that she asked for a refund of the additional payment she made.

But Mrs F is concerned that the refund was made to the current account that the payments were made from, rather than to her credit card. And she thinks the reworking of her credit card account by The Co-op is incorrect, and that she has lost out financially.

In relation to the refund of the overpayment back to Mrs F's current account, I don't think The Co-op did anything wrong by doing this. I say this because in my experience it isn't unusual practice for a financial business to pay a refund to the account from which it has been made. Whilst Mrs F may have wanted the overpayment refunded to her credit card account, that would in essence mean it remained as a credit to any outstanding balance on the credit card account. And I think it was fair and reasonable for The Co-op having been asked to make a refund of the payment made by mistake in October 2023, to have paid that refund back to the account from which it was made, which was Mrs F's current account.

I have also considered what Mrs F has said about her credit card statement being incorrectly calculated. She thinks there is a problem with The Co-op's software system. So, I have considered the statements I have been provided with for the relevant time. I can see the outstanding balance on the statement dated 17 September 2023 was £1,334.37, and the payment due date was 12 October 2023.

Mrs F's next statement was dated 15 October 2023. This records the payment Mrs F made at the end of September towards the September statement and the additional payment paid by mistake, of £1,334.37 at the beginning of October. So, the new balance taking into account all credits and additional expenditure that month until the new statement date, was £1,447.54. But if Mrs F hadn't made the overpayment, that statement balance would have been £2,781.91. And I'm satisfied from what I've seen that the figures on the statements were correctly calculated.

Mrs F's next statement was dated 15 November 2023. This recorded the payment Mrs F made in respect of the outstanding balance on the October statement on 17 October, for £1,447.54. But it also recorded the refund of £1,334.37 that Mrs F had requested The Co-op to pay, which had been made on 17 October 2023. So, whilst Mrs F had only spent £789.10 since the October statement had been issued, the refund of £1,334.37 that had been processed on 17 October 2023, was in essence a debit on her credit card account. And this is why the November statement which had a balance of £2,123.47 was higher by £1,334.37 than she was expecting.

Mrs F may have had to pay an additional amount than she was expecting on her November statement. But this was because she had the benefit of the refund that was made back to her current account. Mrs F paid the balances off on her credit card account in full each month and as a result, didn't incur any interest charges. And I'm satisfied for the reasons I've explained that she hasn't lost out financially.

### **My final decision**

For the reasons I've set out above, my decision is not to uphold Mrs F's complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 2 August 2024.

Simon Dibble  
**Ombudsman**