

The complaint

Ms M complains that Vanquis Bank Limited didn't adequately respond when she notified it that she was in financial difficulty.

What happened

In July 2019 Ms M raised a complaint with Vanquis. She said she was upset there was no way to contact it using email or a message centre, and advised that she was suffering from health and mental health problems and receiving treatment. She explained she'd been signed off work for 3 months by her doctor and was working towards a phased return. As a result she was experiencing temporary financial difficulties. She asked that Vanquis put her credit card account on hold for 2 months and freeze any interest and charges. She also said that she found telephone calls extremely stressful and asked Vanquis to contact her only by email or letter.

Ms M didn't receive any response to her complaint from Vanquis other than an acknowledgement letter. So she referred it to our service.

Our investigator looked into what happened and found that Vanquis had sent a final response letter to Ms M's complaint on 27 August 2019. He also thought it was likely Ms M had received this letter given further correspondence she'd had with Vanquis. He noted that in this letter Vanquis had invited Ms M to complete an income and expenditure form, and invited her to contact its Specialist Support Team using email or text. And he said he considered this to have been an appropriate response to her situation.

In its final response letter Vanquis also apologised for failing to prevent phone calls being made to Ms M despite her asking it to only contact her in writing. It credited Ms M's account with £150; £78 being charges and interest applied in July and August 2019, and £72 being compensation for the number of calls she received. But our investigator recommended that Vanquis increase this amount to £300 in recognition of the fact over 30 calls had been made, which he felt would have had a significant impact on Ms M given her health.

Vanquis didn't agree. It says that its call process provides that it can call a customer three times a day, and so it didn't feel the number of calls it had made was excessive. It feels that the £150 already paid is sufficient compensation to resolve this complaint. So the case has been passed to me to decide.

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.

To be clear, I'm deciding here whether I think Vanquis' offer of £150 is sufficient to reflect the poor service Ms M received when she originally complained to it.

It seems she's had similar problems in dealing with Vanquis' Specialist Support Team since then. While I can't (strictly speaking) look into those problems here as Vanquis hasn't yet sent Ms M a final response on them, I'd urge Vanquis to engage with her to try and resolve matters as quickly as possible. Ms M could, of course, make a separate complaint about the further problems she's had. But that doesn't really help her – or help Vanquis help her resolve these matters. So I'd hope that if a resolution hasn't yet been found Vanquis will try and respond to Ms M's further problems as quickly as possible, using her preferred method of communication. Ms M needs to engage actively with Vanquis when it does work with her in future. And I'm sure she'll do this.

But – for the avoidance of doubt – I'm not considering the merits of Ms M's concerns about the further problems she's had with Vanquis. That, unfortunately, would need to be the subject of a separate complaint. And I very much hope that both parties will be able to work together to avoid the need for this to be resolved by this service.

I can see that Ms M raised her original complaint with Vanquis on 3 July 2019. Vanquis acknowledged this complaint in a letter dated 4 July 2019 and advised that it would seek to respond as soon as possible and within 8 weeks. It also says that its Specialist Support Team emailed Ms M on 5 July 2019 but didn't receive a response.

Ms M says she didn't receive a final response to her complaint. But Vanquis has provided our service with a copy of a final response letter it says it sent to Ms M. And I can see that this is dated 27 August 2019 – within the 8 week timescale in which businesses should aim to respond to complaints like this.

Our investigator felt that it was likely Ms M did receive this final response letter, and I've reached the same conclusion. I say this because in the letter Vanquis asked Ms M to complete an enclosed income and expenditure form so that it could further assess her situation. And Ms M refers to having sent this information as requested by Vanquis in subsequent correspondence.

When a customer notifies a business that they are experiencing financial difficulties the business should respond positively and sympathetically. I'm satisfied that this final response letter demonstrated a positive response from Vanquis. It put her in contact with its Specialist Support Team, which is what I'd expect. And it took steps to seek to understand her situation further so that it could assist her appropriately, which again I would expect in the circumstances. So in this respect, whilst I recognise that Vanquis didn't do as Ms M asked in her original complaint before issuing a final response letter (i.e. agree to put her account on hold and freeze interest and charges), I do think it provided a reasonable response.

However Vanquis did acknowledge that it had made numerous telephone calls to Ms M despite her asking it not to contact her using this method. It apologised for this and credited her account with a total of £150.

Looking at Vanquis' records I can see that it attempted to call Ms M a total of 37 times on 28 different days between 8 July 2019 and 12 August 2019. Given Ms M's health and mental health problems which she had already described to Vanquis as including depression, anxiety, insomnia and high blood pressure (and which I have seen medical evidence of) - I can appreciate that this would have had a severe impact on her. And so whilst I note Vanquis' comments about its call process, I do think that our investigators recommendation that it increase the level of compensation paid to Ms M is a fair one.

Putting things right

To put things right for Ms M Vanquis Bank Limited should pay her a further £150 compensation for the inconvenience, stress and upset caused by its poor service, taking the total awarded to £300.

My final decision

I partially uphold this complaint for the reasons outlined above. Vanquis Bank Limited should pay Ms M £150 further compensation as directed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 30 July 2020.

Jenette Lynch
Ombudsman