

The complaint

Mr L is unhappy with Vanquis Bank Limited's handling of his credit card balance. He thinks they have sold his debt to another company unfairly.

What happened

Mr L has a credit card with Vanquis. Due to some financial difficulties over the last couple of years, Mr L entered into a repayment arrangement with Vanquis. He was paying £2 a month towards his outstanding balance.

Mr L received a letter in November 2019. It told him that Vanquis had sold his debt to another company, and Mr L had to make arrangements with the new company to continue making his agreed repayments.

Mr L complained about this to Vanquis. He said it had caused him inconvenience and wasn't necessary as he'd made all his required payments on time. Vanquis responded to explain the new company were more experienced in dealing with long-term repayment arrangements. They also explained that the terms and conditions provided to Mr L when he applied for the credit card said a transfer could take place, and that Mr L would be notified as soon as possible after it had been completed.

Mr L wasn't happy with this so brought his complaint to our service. Our investigator didn't agree with Mr L. She explained that Vanquis hadn't acted unfairly and had given Mr L notice that the transfer had taken place. They also provided all the relevant information to enable Mr L to re-set his repayment arrangement up with the new company.

Mr L didn't agree with this, so it's been passed to me for a decision.

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 won't be asking Vanquis to do anything. I'll explain why.

The terms and conditions of Mr L's credit card confirm that Vanquis can transfer the agreement. It also says:

'We will arrange for notice of the transfer to be given to you as soon as reasonably possible after the transfer.'

So, Vanquis was able to transfer Mr L's debt to another company. What I must decide is if it was done in a fair way, with no detriment to Mr L. And in this case, I think it was.

Vanquis sold Mr L's debt to the new company on 30 September 2019. Mr L made his regular payment to Vanquis on 12 October 2019, which they allocated to his debt to reduce it accordingly. Vanquis and the new company wrote to Mr L on 4 November explaining the debt had been transferred. The letter also explained what Mr L needed to do next to make

sure his repayment plan carried on as he expected it to. Mr L has confirmed he received this letter.

As Mr L's next regular payment wasn't due until 12 November 2019, he had enough time to make the changes he needed to and ensure the payment was made to the new company. As Mr L paid his repayment over the telephone, I don't think the change of company caused him any inconvenience. The new telephone number he needed to call was included on the letters he received, and all he needed to do was call and make the payment as normal.

Mr L has confirmed to our service that he has reading difficulties. But he hasn't brought that to Vanquis' attention so I can't say they've acted unfairly by sending Mr L correspondence regarding the change through the post.

My final decision

For the reasons above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 29 April 2020.

Kevin Parmenter
Ombudsman