

## **The complaint**

Mr A is unhappy that Vanquis Bank Limited approved him for a credit card and recorded it against his credit file without him electing to go ahead with the card.

## **What happened**

Mr A applied for a credit card with Vanquis at an indicative rate of 39.9% APR. Mr A wasn't happy when he discovered that Vanquis had approved his application and given him a credit card with an interest rate of 59.9% APR without first checking with Mr A that he wanted to accept the card in consideration of the higher interest rate. So, Mr A made a complaint.

Vanquis looked at Mr A's complaint. They noted that the interest rate that Mr A had applied for matched the interest rate that they had provided him with. They also noted that Mr A had accepted the terms and conditions of the account before proceeding with the application, and that they had kept to those terms. So, they didn't uphold Mr A's complaint.

Mr A wasn't satisfied with Vanquis' response. So, he referred his complaint to this service. One of our investigators looked at this complaint. After a lengthy review, our investigator concluded that Vanquis hadn't acted unfairly or unreasonably toward Mr A in how they'd processed his application, or in how they'd reported the status of the credit card to the credit reference agencies. So, they didn't uphold Mr A's complaint either.

Mr A remained dissatisfied, so his complaint was escalated to an ombudsman for a final 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 find that I've reached the same outcome as our investigator, and for the same reasons.

I note that Mr A has raised several detailed points with our investigator. I hope that Mr A doesn't consider it a discourtesy that I won't go into the same level of detail here - to do so would, in many instances, be a repetition of matters already addressed by our investigator with which I'm in agreement. Instead, I will focus on what I consider to be the key aspects of this complaint. However, I can confirm that if I do not mention a specific point it isn't the case that I haven't considered it, but rather that I don't feel that I have anything to add beyond that already explained by our investigator and also that I don't feel addressing that point would have a material impact on the outcome that I have reached.

Vanquis have said that the application submitted by Mr A was for a credit card at with an interest rate of 59.9% APR. I understand that Mr A disputes this and that he believes that he was applying for a credit card with a lower rate of interest. I have no reason to doubt Mr A's belief in this regard. However, as our investigator noted, credit card applicants don't always

receive the indicative rate advertised on the credit card and a business has no way of making an offer to an applicant without processing a full application.

If an applicant is unhappy with the interest rate offered, they have a 14-day cooling off period in which they choose to not go ahead with the credit card application. This requires a formal notification from the applicant to the credit provider that they don't want to accept the card. Importantly, this has to be an active notification on the applicant's part, and the absence of communication or response from an applicant isn't sufficient to provide such notice. In short, the applicant needs to actively tell the credit provider within 14 days that they don't want the credit card.

Mr A has stated that he responded to an email sent by Vanquis which was within this 14-day period instructing them to cancel the card. However, the email sent by Vanquis explained that customers shouldn't respond directly to that email because responses went to an unmonitored inbox and so wouldn't be seen. Because of this, while I acknowledge Mr A's intention here, I can't conclude that Mr A provided Vanquis with valid notice that he didn't want to go ahead with the card in this instance.

Additionally, because Mr A didn't confirm his request to not accept the credit card via any other channel, this meant that Vanquis didn't receive notice from Mr A that he didn't want to go ahead with the card. Because of this, I'm satisfied that it was appropriate of Vanquis to conclude that Mr A hadn't used the 14-day cooling off period and that he wanted to go ahead with the credit card.

It's unfortunate that Mr A didn't contact Vanquis via an appropriate channel to confirm that he didn't want to go ahead with the credit card, and I don't doubt that it was his intention to not do so. However, I can't fairly censure Vanquis on this point because ultimately, they weren't actively informed by Mr A that he didn't want to go ahead with the card.

I realise that this won't be the outcome that Mr A wanted, but it follows that I won't be upholding this complaint or asking Vanquis to take any further action. This is because, on the basis of all the information I have available to me, it was fair and reasonable for Vanquis to consider that Mr A wanted to go ahead with the credit card, and to therefore report the details of the credit card to the credit reference agencies.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 24 March 2021.

Paul Cooper  
**Ombudsman**