

The complaint

Mr R is unhappy with the service he's received from Vanquis Bank Limited ('Vanquis') when he tried to let them know he was experiencing financial difficulty.

What happened

The background and circumstances of this complaint are well known to both parties.

Rather than repeat what is already known to both parties and not generally in dispute, in my decision I'll mainly focus on giving the reasons for reaching the outcome I have.

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.

Where there's a dispute about what happened, I've based my decision on what I think is more likely than not to have happened in light of the evidence.

Although a number of issues have been raised, this decision only addresses those issues I consider to be materially relevant to this complaint. However, I've given careful consideration to all of the submissions made before arriving at my decision.

Having done so, I have to tell Mr R that I think the investigator has reached a fair outcome here. So I don't uphold his complaint in this matter. I'll explain why.

Poor communication

It's not in dispute that there were some delays after Mr R notified Vanquis that he was experiencing financial difficulty because of the impact of the COVID-19 pandemic on his work. I'm sorry to hear of this impact on Mr R.

Mr R has said he tried to call Vanquis around the beginning of April 2020 but was unable to speak to anyone. In their final response letter Vanquis explained that due to higher call volumes and staff having to self-isolate because of COVID-19, unfortunately some customers did have to wait longer than they'd have liked.

Although very frustrating for Mr R, the delays he experienced both in trying to speak to Vanquis on the phone and them responding to his emails occurred at a time when Vanquis was trying to continue to offer its services against the backdrop of the global COVID-19 pandemic and all the challenges it presented.

I find that the compensation and apologies offered by Vanquis to Mr R for the telephone delays and delay in replying to his email dated 11 April 2020 fair, reasonable and proportionate to the impact of their actions on Mr R.

Mr R's financial difficulties

Mr R had explained that he expected demand for his work to increase as restrictions were eased slightly in July 2020.

I find that by refunding the relevant charges back to April, Vanquis have put Mr R in the position he would've been in had he initially been able to speak to them in early April 2020.

Vanquis also agreed to a payment freeze on this credit card account until 9 July 2020 which I consider positive. I say this because this was inline with the FCA guidance at the time and it allowed Mr R a bit of time and space for his financial circumstances to improve.

After this arrangement ended, Vanquis agreed a repayment plan with Mr R. Under this arrangement, Mr R agreed to pay £20 per month and no interest or late payment fees would be charged. Vanquis let Mr R know the account status and repayment plan would be reported to the relevant credit reference agencies. Again, I find that Vanquis have treated Mr R fairly here.

Although Mr R has referred to this credit card account being recorded as defaulted, our investigator has pointed out the information Mr R provided refers to a loan and not this credit card account. Mr R was also given the opportunity to clarify what adverse information has been recorded in relation to this credit card account but no further supporting evidence has been provided.

Summary

Overall, although there may have been some delays with Mr R being able to speak to Vanquis and them replying to his emails in April 2020, I haven't seen strong supporting evidence that he's lost out further as a result of these delays – to the extent that I require Vanquis to take any further action to put things right.

When I consider the refund of the charges alongside their other positive actions; such as agreeing to the payment freeze and repayment plan afterwards, I don't uphold this complaint. Overall I find that Vanquis have treated Mr R fairly and reasonably.

I know Mr R will be disappointed with this outcome. But my decision brings to an end what we – in trying to informally resolve his dispute with Vanquis – can do for him.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 3 August 2021.

Daniel O'Shea
Ombudsman