

The complaint

Mrs H complains about how Vanquis Bank Limited dealt with her and her account following a request for Persistent Debt information.

What happened

Mrs H says Vanquis asked her for information about her income and expenditure in 2020. She says she gave her income details, but her household expenditure details. Mrs H says Vanquis didn't contact her after she supplied the information and wrote to her requesting information by a certain date that had passed. She says she was unaware the account was suspended and is still unsure what the account position is or if there has been any impact on her credit file. Mrs H accepts there has not been a financial impact but would like compensation for the time she has spent dealing with this issue.

Vanquis says it followed the Persistent Debt (PD) rules by writing to Mrs H about her account from October 2018 and offering various options. It says Mrs H provided her financial information after the date it was required but in any event that information wasn't sufficient to verify affordability and so correctly suspended the account. Vanquis accepts it didn't send Mrs H a notification to tell her that and has offered £25 compensation for that mistake. It says there has not been an impact on Mrs H's credit file.

Mrs H brought her complaint to us and our investigator didn't uphold the complaint. The investigator explained the PD rules and thought Vanquis had followed them and had requested Mrs H's financial details, but they had been sent some months after the required date. The investigator thought Vanquis had told Mrs H in December 2020 her account had been suspended and didn't think it would have made any difference when the information had been supplied in any event.

Mrs H doesn't accept that view and in summary says she received a letter dated 7 October 2020 asking for further information that was received on 22 October 2020. She says Vanquis didn't answer her question about the implications about accepting the compensation.

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 come to the overall view that I don't uphold the main part of this complaint. I appreciate that Mrs H will be disappointed by my decision and about how strongly she feels about what took place.

I don't intend to repeat the PD rules and requirements in this decision as I can see that the investigator has set them out in his view. I am sure Mrs H appreciates that Vanquis doesn't have an option but to follow those regulatory rules and requirements. I'm satisfied having looked at Vanquis's records that it sent Mrs H all of the required letters and provided her with information about PD as well as offering suitable plans.

I'm satisfied that Vanquis correctly asked Mrs H for her financial information which I don't think was provided by the required date. I don't think that matters as Vanquis did carry out appropriate assessments in any event and concluded that it would suspend Mrs H's account. I don't think that decision was unfair or incorrect and think it is up to Vanquis to decide if it wishes to continue offering full account services in these circumstances.

I appreciate that Vanquis didn't respond to Mrs H when it made the assessment information decision. But I can see that Vanquis has apologised for that mistake and offered what I think is a fair and reasonable compensation amount of £25. I don't think Mrs H suffered any financial loss as a result of that mistake or that the impact was significant. I accept that Mrs H asked Vanquis for clarity on that compensation offer but doesn't appear to have received a response.

Overall, I'm satisfied that Vanquis complied with the PD requirements and was entitled to suspend the account. I don't think it matters if a letter was sent requesting information by a date that had passed as other requests had been made by that stage and it ought to have been clear that financial information was required. In any event I have made clear that a decision was later made to suspend the account and that Vanquis made that clear in its December 2020 letter.

My final decision

My final decision is that I don't uphold the main part of this complaint and that Vanquis Bank Limited has made a fair and reasonable compensation offer of £25.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 12 March 2022.

David Singh
Ombudsman