

## **The complaint**

Mr S complains that Vanquis Bank Limited didn't provide him with the service it should have when he asked to come off his payment plan.

## **What happened**

Mr S had a payment plan in place on his account. He says his financial circumstances improved and he called Vanquis to come off the payment plan but was told this couldn't happen. He says he was told the only way to change his account status was to pay the full outstanding balance and close the account.

Vanquis says that Mr S contacted it in January 2021 to discuss going on a payment plan following an income and expenditure assessment from a third party. It says it put Mr S' figures into its system and a long term payment plan of £32 a month was agreed, and income and charges suspended. It says Mr S was not told he could remove the payment plan at any time and was told the arrangement would be reviewed in May 2021 in order to ensure £32 was still affordable. Mr S contacted it in March 2021 and Vanquis says that due to the requests he made he was transferred to different agents. It said it hadn't done anything wrong by not removing the arrangement from Mr S' account.

Our investigator didn't uphold this complaint. He said that when Mr S contacted Vanquis in January 2021 he was told that because he had already had several temporary payment arrangements in place, a temporary arrangement could no longer be offered, and a new long term arrangement was required. He was also told that the new arrangement could mean he would lose access to his card and was potentially terminal. A letter confirming the terms was then sent. He said that Mr S wasn't told he would be able to come off the payment plan and return to contractual terms. Given this he didn't think Vanquis had acted unfairly.

Mr S didn't accept our investigator's view and asked that his complaint be reviewed by an ombudsman.

## **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.

I can understand why Mr S is upset that he wasn't able to come off the payment plan and have this reflected on his credit file when his circumstances improved. However, for me to uphold this complaint I would need to be satisfied that Vanquis had made a mistake or treated Mr S unfairly.

I have looked through the contact notes and listened to the calls provided and these show that before Mr S contacted Vanquis in January 2021, he had already been provided with previous short term arrangements. He had late payment charges on his account in the early part of 2020 and set up a three month payment plan in March 2020, just before the start of lockdown. This suggested that Mr S was experiencing financial difficulties before the

lockdown. He then had further short term payment plans put in place before he contacted Vanquis in January 2021.

When Mr S called Vanquis in January 2021 he explained his situation and was told that because he had previously had short term payment plans in place this option had now expired and it would look at a long term payment plan. Given Mr S' history and that his financial situation hadn't improved such that he would return to his contractual payments, I do not find it unreasonable that Vanquis no longer provided the option of a short term payment plan and instead offered a long term alternative. Mr S was told the interest and charges would be stopped but that his credit file would still be affected, and he may lose access to his card. He was also told this would potentially be a terminal arrangement and would be reviewed very nine months.

Having considered the information Mr S was provided with in January 2021 I think he was made aware of the type of arrangement he was entering. The letter sent confirming the details of the plan said the plan would be reviewed to assess the affordability and didn't suggest that Mr S could exit this and return to the account contractual terms.

Therefore, while I understand that Mr S wanted to have the payment plan removed from his account, I do not find I can say that Vanquis treated him unfairly or made a mistake by not doing this.

### **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 S to accept or reject my decision before 1 March 2022.

Jane Archer  
**Ombudsman**