

## **The complaint**

Ms M says Vanquis Bank Limited (“Vanquis”) irresponsibly lent to her.

## **What happened**

This complaint is about a credit card Vanquis provided. Our adjudicator upheld Ms M’s complaint, as it believed the lending was unaffordable. Vanquis asked for some evidence from us. After reflecting on that evidence, Vanquis has agreed to uphold the complaint.

## **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.

We’ve set out our general approach to complaints about unaffordable and irresponsible lending - including the key relevant rules, guidance and good industry practice - on our website.

Vanquis has agreed to pay the redress specified in our adjudicator’s assessment, if Ms M agrees to that as a fair outcome. So, as there is now no argument about the merits of this complaint, I need say nothing more about that.

So, when Ms M agrees to this decision, Vanquis should put things right.

## **Putting things right**

- Rework the account removing all interest and charges that have been applied.
- If the rework results in a credit balance, this should be refunded to Ms M along with 8% simple interest per year\* calculated from the date of each overpayment to the date of settlement. Vanquis should also remove all adverse information regarding this account from Ms M’s credit file.
- Or, if after the rework there is still an outstanding balance, Vanquis should arrange an affordable repayment plan with Ms M for the remaining amount. Once Ms M has cleared the balance, any adverse information in relation to the account should be removed from their credit file.

As Vanquis has sold the debt to a third party, it should arrange to either buy back the debt from the third party or liaise with them to ensure the redress set out above is carried out promptly.

\*HM Revenue & Customs requires Vanquis to deduct tax from any award of interest. It must give Ms M a certificate showing how much tax has been taken off if he/she asks for one. If it intends to apply the refund to reduce an outstanding balance, it must do so after deducting the tax.

**My final decision**

For the reasons set out, Vanquis Bank Limited should put things right in the way set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 22 July 2022.

Douglas Sayers  
**Ombudsman**