

The complaint

Mr O complains that Vanquis Bank Limited misinformed him about making overpayments on his loan.

What happened

In March 2020, Mr O took out a loan with Vanquis and says, that around this time, he had a discussion with a Vanquis representative about paying larger monthly repayments. Mr O says the representative advised him that this would not result in paying less interest and suggested he pay the standard amount.

Mr O says that when he went to pay off the balance, it became clear that he had been misadvised and he could have made overpayments, which would have resulted in paying less interest.

Vanquis investigated but didn't uphold Mr O's complaint. They said they checked call recordings and, in the call they think Mr O is referring to, he asked about setting up payments towards the loan and if he was able to increase the loan amount. They explained that the agent only provided advice on these queries and there wasn't a discussion about overpayments. Vanquis added that information on overpayments was detailed in the terms and conditions of the loan.

Mr O complained to our service and our investigator couldn't see that Vanquis had done anything wrong.

Mr O remains dissatisfied and believes Vanquis have been dishonest and tampered with the call recordings to delete the incorrect advice. So, this case has now been referred to me to look at.

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, for the following reasons, I'm not asking Vanquis to take any further action.

I first looked at the terms and conditions which Mr O agreed when he took out the loan with Vanquis. And, I found the following extract clarified Vanquis's position on over payments and the impact on the term of the loan:

"If you make an early partial repayment, you can choose whether your remaining balance is to be repaid within a shorter Term (in which case the monthly payments will stay the same) or whether your monthly payments are to be reduced (in which case the original Term will stay the same). If you make an early partial repayment, we will assume that you wish the Term to remain unaltered unless you request otherwise."

So, although I recognise that Mr O is convinced a call took place in which he was misinformed, I'm satisfied that Vanquis provided sufficient clarity on overpayments. And, Mr

O should've been aware of this as it was contained within the agreement.

I listened to all the calls that had been traced and couldn't find any evidence of a Vanquis error. I also considered Mr O's point about the disparity in call length and his belief that Vanquis have acted dishonestly by deleting the part of a call where the misinformation was given. However, I'm not persuaded that this is the case. This is because the involvement of automated phone services makes it difficult to compare call length. Also, all the calls I listened to flowed with no obvious gaps. Furthermore, as Vanquis provided clarity on overpayments in the agreement it seems an unlikely course of action.

So, although I understand Mr O's frustrations here, I haven't seen anything which suggests Vanquis have acted unreasonably or unfairly and I don't think they need to do anything further in this case.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 9 January 2023.

Paul Douglas
Ombudsman