

## **The complaint**

Mr M complains that he couldn't open a credit card account with Vanquis Bank Limited (Vanquis).

## **What happened**

On 11 November 2022, Mr M applied for a credit card from Vanquis. He passed the initial credit checks. Vanquis sent an SMS to Mr M on 16 November 2022 asking him to upload various documents concerning identity and address verification (IDV). Mr M was advised his application was declined. On 21 November 2022, Vanquis sent Mr M a letter asking for the IDV documents again. The letter gave a 30-day deadline to respond. On 8 December 2022, Mr M contacted Vanquis and was told his application had been declined and he had to apply again if he wanted a card.

Mr M complained. He said he sent in the IDV documents on 8 December 2022, and that was within the timescale. He said his application should be looked at again and approved. He didn't see why he should have to apply again.

Vanquis said that when the documents were uploaded online on 16 November 2022, they couldn't be used to verify Mr M's identity and his application was terminated. They said he could make a new application if he wished.

Mr M brought his complaint to us. Our investigator said he could see that Mr M's application had been correctly declined – as the IDV documents weren't approved by Vanquis. That was because the bank statement he sent wasn't a copy of an original. Vanquis sent an SMS text to say his application had been declined. But they then sent a letter dated 21 November 2022 to Mr M asking for the same IDV documents. Our investigator said this raised Mr M's expectations that his application would be approved and caused confusion. So – Mr M contacted Vanquis again on 8 December 2022 (i.e. within the 30-day time limit) – unaware that his application had been declined. Therefore, the letter dated 21 November 2022 was misleading. For that, he said compensation of £50 should be paid.

Vanquis agreed, but Mr M asked that an ombudsman look at his complaint – and so it has come to me to make a final decision.

## **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've looked at Vanquis' records of Mr M's application dated 11 November 2022. It looks like he passed the initial credit checks, and Vanquis then asked him to upload documents to verify his identity and address (IDV). He uploaded those on 16 November 2022 – twice. But Vanquis said they didn't meet their requirements – I can see that one upload was a photo of a bank statement on a computer screen. And that wasn't accepted by Vanquis. But here – it is for Vanquis to make their own judgments as to whether they accept Mr M's documents or not – we can't ask them to reverse their decision.

I can then see that Vanquis sent Mr M a text on 16 November 2022 - which said “...*after careful consideration we regret to inform you...your documents have not passed our checks...we are unable to progress your application to the next stage. Please feel free to apply again with us in the future.*” So I consider that this text was clear – Mr M’s application had been declined. And he could start a new application again if he wanted to.

Vanquis then sent a letter dated 21 November 2022 – which asked for the same IDV documents. It gave a deadline of 30 days to do that. We asked Vanquis more about the letter – and they told us that it didn’t mean that Mr M’s application was still ‘live’ – as his application was declined on 16 November 2022. So – I agree that the letter was misleading.

Mr M contacted Vanquis again on 8 December 2022 to upload his IDV documents, but Vanquis’ process was such that the application had been declined on 16 November 2022 – and after that, Mr M had to re-apply. I can’t ask Vanquis to change their process – that’s not our role.

Mr M has argued that his application should be looked at again – but for the reasons I’ve given, I’m not going to ask Vanquis to do that. Therefore, if he still wants a credit card from Vanquis, I’d encourage him to apply again.

But – I do agree that the letter dated 21 November 2022 was misleading in the circumstances and that compensation of £50 should be paid for the inconvenience caused.

### **My final decision**

I uphold this complaint. Vanquis Bank Limited must:

- Pay compensation for £50 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr M to accept or reject my decision before 14 March 2023.

Martin Lord  
**Ombudsman**