

## **The complaint**

Mr J complains that Vanquis Bank Limited (Vanquis) unfairly defaulted his account. He would like his account brought back from the debt recovery company, be allowed to make good the outstanding balance and the default marker removed from his credit file.

## **What happened**

The details of this complaint are well known to both parties so I won't repeat them again here. Instead, I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusions:-

- Vanquis has evidenced that it sent Mr J a letter in June 2023 advising his payments were overdue, a pending notice of default in July 2023 and notice of default in August 2023 advising of its intention to pass Mr J's account to a third party if his account remained in arrears. This is the appropriate correspondence I would have expected Vanquis to send.
- As I understand it Mr J wasn't living at home when Vanquis sent letters to him in relation to his account. And he has told us that Vanquis doesn't have his current address. So, it's not surprising that Mr J didn't receive the letters Vanquis sent for some time. But Vanquis can only use the information it has. I can't reasonably hold Vanquis responsible for the delay in Mr J receiving correspondence.
- I have listened to a call Vanquis made to Mr J in July 2023. Mr J said he was in hospital but was aware of the status of the account. Vanquis offered to set up a repayment plan, but Mr J declined this. I appreciate that being in hospital would have made it difficult for Mr J to manage his account. However, as he was clearly aware of the status of the account and declined the option of a repayment plan, I am not sure what else Vanquis could have reasonably done at this time.
- As Mr J's last payment to the account was May 2023, and he didn't make good his account, so it was defaulted in August 2023. We consider it reasonable to issue defaults when accounts are between 3-6 months in arrears as was the case here.
- As Mr J was aware of the account status, didn't make good the account, declined the repayment plan option and didn't contact Vanquis again until after his account was sold on I can't say that Vanquis were wrong to default the account and pass the debt to a third party. So, on that basis I can't reasonably ask Vanquis to reinstate Mr J's account, to allow him to pay off the outstanding balance and to remove the default marker on his credit file as he would like.

- Finally, I appreciate Mr J wanted to make good the account when he realised it had been sold on. Vanquis advised he needed to contact the debt purchaser direct about this.. Vanquis has advised that this is its process. It's not for us to comment on business process but it seems to me that Mr J was correctly advised of what he needed to do.

**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 J to accept or reject my decision before 28 May 2024.

Bridget Makins  
**Ombudsman**