

The complaint

Miss S complains that Vanquis used a correspondence address without her consent and she takes issue with the way that Vanquis managed her account and handled her complaint.

What happened

In June 2023 Miss S contacted Vanquis to complain about correspondence it was sending regarding arrears on her account, to an address she did not live at, without her consent. I'll refer to this address as "the E address" in this decision.

Miss S has no fixed address and the residents at the E address agreed that she could use it for some types of correspondence - provided there was no question of collections activity. Miss S is concerned that Vanquis sending correspondence to the E address might impact adversely on the residents and they won't allow her to use the E address any longer. She considers Vanquis should not have used the E address - as it told her previously it was unable to accept an address she didn't reside at (also referred to as a "care of" address) and Vanquis wrongly increased her credit limit without checking affordability.

Vanquis upheld the affordability complaint, apologised and refunded interest and charges totalling over £1,000. Vanquis didn't accept it was wrong to write to Miss S at the E address however. Vanquis said it obtained this address by checking information held by a credit reference agency (CRA) which showed Miss S had a high street bank account registered there and it wasn't listed as a "care of" address.

Miss S accepted Vanquis has investigated the irresponsible lending part of her complaint but she didn't accept its response about the remaining issues. She said the whole situation has been detrimental to her health, exacerbating an existing illness. She was put under considerable stress by Vanquis sending written communications to an address she didn't live at. And she feels Vanquis was threatening, when it said she wouldn't be sent letters to the E address if she brought the account up to date. She wants Vanquis to write off the account balance and pay compensation.

One of our investigators reviewed the evidence. He didn't recommend the complaint should be upheld. He acknowledged Miss S is frustrated that Vanquis used an address she didn't provide but he was satisfied that lenders must use a postal address for certain communications (such as written notice of account defaults) and Vanquis followed its usual process when dealing with her address information.

Miss S didn't think that was fair and she asked for an ombudsman to review the matter. She said she's no longer able to use the E address as a result of what happened. She wants Vanquis to write off the outstanding balance, remove adverse information from her credit file and pay compensation for her associated stress, anxiety and inconvenience.

Having considered the available evidence, I wasn't minded to uphold this complaint. My reasons weren't quite the same as the investigator's and I thought it was fair to give the parties the chance to see my provisional findings and respond before I made my final decision. I issued a provisional decision on 10 June 2024. I've set out what I decided

provisionally - and why - below (in italics) and this forms part of my final decision.

My provisional decision

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

Miss S has gone to some trouble to make fairly detailed submissions and I can see she feels strongly about what happened. I want to assure her, if I don't address every point that's been raised, it's not because I haven't thought about it. I have considered everything that's been said and sent to us, however I'm going to concentrate in this decision on what I think is relevant and material to reaching a fair and reasonable outcome. The rules of our service allow me to do that and it reflects the informal nature of our service, which is a free alternative to the courts.

My role is to consider the evidence provided by both parties (without taking sides) along with relevant law and industry guidance (amongst other things) and decide what I think is a fair and reasonable outcome in all of the circumstances. I'm not a regulator however and I don't have the power to investigate the way Vanquis runs its business on a day to day basis.

Miss S has raised concerns about possible breaches of data protection law in the way that Vanquis used her personal information. I've seen evidence that shows she has contacted the Office of the Information Commissioner about that already - and it's not the role of this service to decide if there's been a breach of such legislation - so I'm not going to comment further in this decision.

Miss S made a separate complaint last year about Vanquis using another correspondence address ("the M address"). Vanquis sent its final response in a letter dated 26 April 2023 and Miss S raised a complaint with our service. That complaint was resolved and I want to be clear at the outset I'm not looking into this again here.

In terms of the current complaint, I think it might be helpful to summarise my understanding of Miss S's outstanding concerns and deal with each in turn. First of all, I realise Miss S would rather Vanquis had corresponded with her by email or some other means of communication, aside from the post. Like the investigator, I'm satisfied that Vanquis is required by law to send certain communications out by post and I can't fairly find it was wrong to do so, in these particular circumstances.

As far as I can see, Vanquis updated Miss S's address using information obtained from a third party CRA. I don't think it's unusual for lenders to use this sort of information in this way and I can't fairly criticise Vanquis for doing so here. If Miss S remains concerned that information on her credit file is wrong, it is open to her to contact the CRA in question and/or raise this with any financial business that may have reported information inaccurately to CRAs.

Miss S says the E address was a "care of" address, as she didn't live there. She told us she has no fixed address and she had permission from the residents of the E address to use that address for certain specific purposes only. I understand she's worried that Vanquis's use of the E address for correspondence about her arrears could lead to collections activity and impact negatively on the current residents. She also considers Vanquis failed to follow its own policy by using the E address - because it told her previously it was unable to add this sort of address to her account.

I am very sorry to hear about Miss S's personal circumstances and I have sympathy for the situation she finds herself in. For the reasons I've given already, I can't fairly find it was wrong of Vanquis to use the E address for correspondence. I appreciate Miss S feels Vanquis breached its own policy by doing so. I haven't seen any evidence that Vanquis has a specific policy prohibiting the use of "care of" addresses. In any event, I think it looks as if Miss S had another financial account registered at the E address at the relevant time that didn't suggest it was a "care of" address and I'm not persuaded Vanquis did something wrong in this regard.

It may give Miss S some degree of comfort to know that credit searches are made against the name of a person, not an address, and individuals (such as the residents of the E address) are not financially associated simply by sharing a postal address with someone else.

I realise Miss S may have felt it was a threat when Vanquis told her it wouldn't need to communicate by letter if the payment arrangement agreed was maintained. I'm not persuaded that Vanquis was seeking to pressure her unduly by making this statement. I think it was simply providing information and I can't fairly find that was wrong in these circumstances. I'm satisfied that Vanquis also signposted free sources of advice and encouraged Miss S to get in touch if she was having difficulties meeting the repayment arrangement, which seems fair overall.

If Miss S is still having difficulties maintaining the agreed payments, I'd encourage her to contact Vanquis about that. She may also wish to get in touch with a free source of money advice for help. Our investigator can provide more information if she would like it – including details of organisations who can assist with obtaining a postal address in her situation.

Responses to my provisional decision

I invited the parties to consider what I'd said and let me have any new comments, or evidence I hadn't seen before by 24 June 2024. I also explained I'd review all the evidence available after that and make my final decision.

Vanquis hasn't objected to my provisional decision but Miss S doesn't think it's fair. She provided a fairly detailed response over several emails and some additional evidence. I hope Miss S will understand that I've had to summarise her submissions (below) for ease of reference.

Miss S says she has provided evidence that the address Vanquis used was not her last known address (the M address), Vanquis had no right to just change it and a notice of correction has been added to her credit file that explains she was homeless from 2021.

Miss S considers Vanquis should have used the M address. She says this was the address on her credit file at the time and, in 2021, she told Vanquis she would be homeless - and it has discriminated against that on several occasions. She goes on to say she is the holder of her data, one party to a contract is not at liberty to change details as it suits and she did not consent to her data being used incorrectly.

Miss S also refers me to the outcome of her previous complaint raised with this service. She says Vanquis confirmed then it has a policy not to use a "care of" address" and she did not have any financial products – the account in question is not a loan or credit and it has been closed. She asks what Vanquis did to confirm the address obtained from the third party and she says Vanquis has also wrongly confirmed the "E" address to a different third party.

In addition, Miss S reiterates her view that Vanquis was threatening - or at the very least rude. She asked me to obtain recordings of all of the calls she had with Vanquis from August 2021. She also considers I have not been impartial, my provisional decision favours Vanquis, I have missed the fact that she no longer has permission to use the E address, I have not considered contract law and harms done, I referred to her as being unhappy - which is not impartial as I don't know her - and it's wrong that this service, as a government body, accepts what's happened.

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 should make it clear at the outset that the Financial Ombudsman Service is an independent public body set up by Parliament to sort out complaints between financial businesses and their customers. We consider each complaint impartially, on its individual facts and merits, and we treat the parties equally and fairly. I make my decision based on what I think is fair and reasonable overall.

As I said in my provisional decision, I'm obliged to take relevant law (amongst other things) into account when I make my decision. I have done so here and I've also thought carefully about Miss S's situation and the detriment she describes as having resulted from various acts or omissions of Vanquis.

I'm sorry if my use of the word unhappy in my provisional decision has caused Miss S some concern. I used the term because this was my perception of how she felt, based on the evidence I'd seen. I have removed it from my final decision and used different words, which I hope she will not find objectionable.

For the reasons I've given already, I remain of the view it wasn't wrong of Vanquis to use the E address for correspondence. Even if I accept Vanquis had a specific policy prohibiting the use of "care of" addresses, I'm satisfied that Miss S had another account registered at the E address at the relevant time. I accept this wasn't a loan or a credit account but I am not persuaded that fact is material here. I'm satisfied the information Vanquis obtained about the relevant account didn't indicate it was a "care of" address. I wouldn't expect Vanquis to check information held by a CRA in the way that Miss S suggests. And I'm not persuaded that Vanquis breached its own policy or did something wrong in this regard.

I accept Miss S may have felt it was threatening and rude when Vanquis told her it wouldn't need to communicate by letter if the payment arrangement agreed was maintained. For the reasons I've given already, I'm not persuaded that Vanquis was trying to pressure Miss S unduly by providing this information and I can't fairly find that was wrong in these particular circumstances. I'm satisfied I have enough evidence to reach a fair and reasonable decision about this. I am not persuaded that it's reasonable to seek recordings of all of Miss S's calls with Vanquis from August 2021 in these particular circumstances. If Miss S has concerns about anything else that Vanquis said or did, she would need to raise this with Vanquis and, if she's unhappy with the response, she may be able to bring another complaint to our service.

I note Miss S says she has no way of contacting Vanquis - as she has been told not to email. That's not something I'm able to look into at this stage in this decision. As I've said above, Miss S may find it helpful to contact a free source of money advice for more help. Our investigator can provide information about this if she'd like it – including details of organisations who can assist Miss S to obtain a postal address, which may assist her in communicating with Vanquis further.

Having considered everything that's been said and sent to us, I'm unable to reasonably conclude that Vanquis has acted incorrectly overall. I sympathise with the situation Miss S finds herself in but I'm not persuaded there are sufficient fair and reasonable grounds to require Vanquis to reduce or waive any outstanding balance or pay compensation or do anything else in response to her complaint.

I realise my decision is likely to come as a disappointment to Miss S, as it's not the outcome she wanted. Miss S is not obliged to accept what I've said however, in which case, it remains open to her to pursue the matter by any other means available.

My final decision

For the reasons I've given above my decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 25 July 2024.

Claire Jackson

Ombudsman