

## **The complaint**

Mr U has complained about the way Vanquis Bank Limited handled an account opened fraudulently in his name.

## **What happened**

Someone took out a credit card with Vanquis in Mr U's name.

Mr U has explained that he reported this to Vanquis in February 2024. But he was passed around and left without substantial updates. He had to keep chasing Vanquis, and the matter was not sorted out until June 2024, when Vanquis agreed the account was fraudulent.

In the meantime, Mr U felt distressed about what might be happening, his own credit card limit with a different firm was reduced, and he was advised not to apply for some key finance until this was sorted.

Vanquis apologised and offered Mr U £50 compensation.

Our Investigator looked into things independently and thought that £150 compensation would be fairer. Vanquis didn't reply, so the complaint's been passed to me to decide.

## **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.

First of all, I do appreciate that Mr U was subjected to an incident of fraud. I can see the fraudsters caused him a good deal of distress, for which he has my sympathy. It must have been most distressing to be targeted by fraudsters like this, and it cannot have been an easy time for Mr U. I'm grateful to Mr U for being open and candid with us about how this matter made him feel.

It's worth keeping in mind that it's the fraudsters who committed the fraud, and so it's the fraudsters who are primarily responsible for the fraud and the resulting stress. But in this complaint against Vanquis, I can only look at what Vanquis are responsible for. That's a key point here, because even if Vanquis had done everything right, it still would have been distressing for Mr U to be targeted by criminals like this. In all likelihood, Mr U still would've faced a level of anxiety about how he'd been pursued by criminals, and he would still likely have needed to spend some time talking to Vanquis.

With that said, Vanquis accepted that it took too long to deal with Mr U's report. I also understand that he was passed around and not given substantial updates, and that he had to chase Vanquis. In the meantime, he felt understandably distressed, and I understand that he was delayed in getting certain finance and had his own credit limit reduced, which may well have been caused by or contributed to by this incident, though this hasn't been evidenced.

When a business gets things wrong, we often tell them to pay compensation, to acknowledge their error and the impact it had. In terms of the amounts, it's worth keeping in mind that we're an informal dispute resolution service. We're not the regulator, and we're not here to issue fines or to punish businesses. Here, while the fraudsters were primarily responsible for the causing fraud, it looks like Vanquis also added some acute distress onto Mr U's existing stresses, and caused him inconveniences which took a reasonable effort to sort out.

So taking into account the impact Vanquis's errors had on Mr U, along with the guidelines for compensation which I must be consistent with, I agree with our Investigator that £150 compensation found be fair to put things right here.

### **Putting things right**

I direct Vanquis Bank Limited to pay Mr U £150 compensation in total.

### **My final decision**

For the reasons I've explained, I uphold Mr U's complaint, and direct Vanquis Bank Limited to pay him £150 compensation.

If Mr U accepts the final decision, Vanquis Bank Limited must carry out the redress within 28 days of the date our service notifies it of the acceptance.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 15 January 2025.

Adam Charles  
**Ombudsman**