

## **The complaint**

Mr T is unhappy that Vanquis Bank Limited didn't accept a cheque he submitted to them as payment towards his outstanding credit card account balance.

## **What happened**

Mr T submitted a cheque for £2,500 to Vanquis, with whom he had an outstanding credit card balance. But while Vanquis initially applied the £2,500 payment to his account, they later reversed that payment and destroyed the cheque, because they felt the cheque was invalid. Mr T wasn't happy about this, so he raised a complaint.

Vanquis responded to Mr T but didn't feel they'd done anything wrong by rejecting the cheque. Mr T wasn't satisfied with Vanquis's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. They didn't feel Vanquis had acted unfairly by rejecting the cheque. But they noted that Mr T had made a Data Subject Access Request ("DSAR") that Vanquis hadn't responded to in a timely manner, and so recommended that Vanquis should pay Mr T £75 compensation because of this. Mr T didn't accept the view of this complaint put forward by our investigator, so the matter was escalated to an ombudsman for 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.

Having done so, I note that Mr T has referred to several legal and regulatory arguments in his correspondence with this service. However, it must be understood that this service isn't a regulatory body or a Court of Law and doesn't operate as such. Instead, this service is an informal, impartial dispute resolution service. And while we do take relevant law and regulation into account when arriving at our decisions, our remit is focussed on determining whether we feel a fair or unfair outcome has occurred – from an impartial perspective, after taking all the factors and circumstances of a complaint into consideration.

I also note that Mr T has provided several detailed submissions to this service regarding his complaint. I'd like to thank Mr T for these submissions, and I hope that he doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead, I've focussed on what I consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Mr T notes that I haven't addressed a specific point that he's raised, it shouldn't be taken from this that I haven't considered that point – I can confirm that I've read and considered all the submissions provided by both Mr T and Vanquis. Rather, it should be taken that I have considered that point but that I don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

Mr T's main point of complaint here is that Vanquis didn't accept a cheque for £2,500 that he submitted to them. Vanquis have explained that the reason they rejected the cheque was because they considered it to be invalid, including that it didn't meet their requirement that it must be drawn on a UK bank or building society.

Specifically, Vanquis noted that the sort-code and account number on the cheque appeared to correspond with the account details for the UK Government tax account (thus not a UK bank or building society) and they felt it was highly likely that the UK Government would honour any claim Vanquis might make in relation to the cheque such that they would never receive the £2,500 that the cheque submitted by Mr T purported to pay them.

Upon consideration, I find Vanquis' argument persuasive here. As such, I don't feel that Vanquis acted unfairly by rejecting the cheque. This is because I wouldn't fairly expect a bank to accept a cheque, or credit the account of the person submitting that cheque, when the bank reasonably believe they won't ever receive the money purportedly promised to them by that cheque. And, ultimately, I feel that it was reasonable for Vanquis to have believed that this would have been the case in this instance.

Mr T is unhappy that Vanquis have destroyed the cheque rather than returning it to him. But given what I've explained above, I feel it would have been reasonable for Vanquis to have believed that the cheque was designed to illicit them into crediting £2,500 to Mr T's account that they had no real chance of ever receiving themselves. And if Vanquis did feel this was the case, then it seems fair to me that Vanquis would have destroyed the cheque, rather than returned it. Furthermore, I'm persuaded that the cheque had no value, and so I don't feel that Mr T has incurred any tangible impact in not having it returned to him.

All of which means that I won't be upholding the primary aspects of Mr T's complaint. In short, this is because I feel that the overarching principle of fairness here is that Vanquis shouldn't fairly be expected to accept a cheque that they most likely won't receive any money from.

Mr T may have legal arguments as to why Vanquis should have accepted the cheque that he sent them. But as explained, the remit of this service is based on fairness. And so, if Mr T wishes to pursue the legal aspect of his complaint, he should do so via a Court of Law.

Regarding the secondary aspect of Mr T's complaint – that Vanquis didn't respond to his DSAR request in a timely manner – I feel that Mr T has incurred a degree of frustration and inconvenience surrounding Vanquis' delay that he reasonably shouldn't have incurred. As such, I'll be upholding this complaint in Mr T's favour on this basis and instructing Vanquis to pay £75 compensation for any trouble or upset he may have incurred.

It must be noted that this service doesn't have the remit to decide whether Vanquis have responded to the DSAR correctly, which instead would be a matter for Mr T to raise with the Information Commissioner's Office ("ICO"). As such, I confirm that the £75 that I'm instructing Vanquis to pay here is solely regarding the frustration and inconvenience Mr T may have incurred resultant from Vanquis' delay in responding to his DSAR request and is in relation to nothing else besides. And I also confirm that I feel £75 is a fair compensation amount for the specific trouble and upset that the compensation relates to.

I realise this won't be the outcome Mr T was wanting. But I trust that he'll understand, given what I've explained, why I've made the final decision that I have.

### **Putting things right**

Vanquis must pay £75 to Mr T.

**My final decision**

My final decision is that I uphold this complaint against Vanquis Bank Limited on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 29 May 2025.

Paul Cooper  
**Ombudsman**