

The complaint

Mr R is unhappy with how Vanquis Bank Limited continued to report his credit card to the credit reference agencies (CRAs) after his Debt Relief Order (DRO) completed.

More recently Mr R also raised concerns about Vanquis Bank Limited's handling of his Data Subject Access Request (DSAR).

What happened

I issued my provisional decision to both parties explaining why I thought Mr R's complaint should be upheld and invited both parties to provide any further evidence and / or submissions in reply.

The background to this complaint was set out in my provisional decision together with my provisional findings which are both copied below and now form part of this final decision.

Background

Due to financial difficulties Mr R entered into a DRO in April 2023. The credit card with Vanquis was included in the DRO.

The DRO completed 12 months later.

Following attempts to obtain credit after the DRO had completed Mr R became aware that Vanquis were reporting the status of his credit card differently to other creditors that had also formed part of the DRO. In October 2024 Mr R therefore approached Vanquis with his concerns.

Vanquis reviewed the matter and said they had correctly reported Mr R's account as defaulted to the CRAs.

However, Mr R's concerns were that the default had not been marked as settled – like other creditors part of the DRO had done after its completion.

Mr R brought the matter to our service and in February 2025 made a DSAR to Vanquis. Vanquis received the request but shortly after told Mr R they had cancelled it because he had brought his complaint to our service to consider.

On receipt of the case our Investigator approached Vanquis and requested they action Mr R's DSAR and also asked Vanquis to confirm how they were reporting Mr R's account to the CRAs.

Vanquis confirmed they had resubmitted Mr R's DSAR to be actioned, and they also said their reporting to the CRAs was updated for Mr R's account.

Our Investigator completed their review and concluded Vanquis could not reasonably have known to change how they were reporting to the CRAs until they received notification the

DRO had been completed. However, the Investigator noted Vanquis would have been made aware the DRO had completed when Mr R contacted them in October 2024 so they should've changed their reporting then. The Investigator therefore said Vanquis should pay Mr R £200 for the trouble and inconvenience caused in having to sort this out.

The Investigator said the concerns Mr R raised about the DSAR did not form part of the original complaint brought to our service, so they did not consider this.

Vanquis agreed with the Investigator's view.

Mr R disagreed. He mentioned Vanquis's failure to provide him with the data he had asked for and said that because Vanquis had not complied with the DRO and wrongly reported his credit card to the CRAs this had affected him financially by being unable to successfully obtain credit and rebuild his creditworthiness. Mr R said he was not in good health and the matter had caused him a lot of upset to sort out when he should not have had to do this. Mr R did not think £200 to recognise what had happened was fair.

As the matter could not be resolved it has come to me to decide.

Mr R's concerns about the DSAR did not form part of this complaint, but Vanquis have now consented for Mr R's concerns about the DSAR to be included.

Provisional findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr R says Vanquis did not comply with what is expected of them following the completion of a DRO. I've therefore considered what Vanquis was reasonably required to do.

I think it's fair to say it is not disputed that Vanquis were entitled to report Mr R's account as defaulted to the CRAs when the DRO started. It is also not disputed that Mr R's DRO completed after 12 months. Vanquis recognise that once a DRO has completed they can update the status of the default, and this is what Mr R was looking for Vanquis to have done. I've therefore considered when it was reasonable for Vanquis to have done this.

I understand Mr R feels strongly about this, but I have found no requirement on Vanquis to automatically update their records after 12 months when Mr R's DRO completed.

A DRO is a formal arrangement and is listed on the Insolvency Register. The Insolvency Service notifies creditors listed in an individual's application of the DRO, but the Insolvency Service does not contact the creditors to say it has been completed.

I am unaware of any specific requirement or process placed upon a creditor to check a DRO was successfully completed and I note general guidance to individuals in a DRO is to check their credit files once they have completed the DRO. So while I realise this will be disappointing to Mr R I've therefore not found anything to persuade me Vanquis ought to have updated the status of his default as soon as the DRO completed.

However, I agree with our Investigator that once Mr R contacted Vanquis in October 2024 they should have taken steps then to update their reporting. It is disappointing that they did not do this. I've therefore considered the impact of this for Mr R.

Mr R has said Vanquis's inaction prevented him from being able to access credit and as a consequence he has lost out on investment opportunities and he has been unable to rebuild

his financial standing and creditworthiness.

I've carefully considered what Mr R has said and I do not underestimate how important his financial reputation is to him and that it is something he is keen to rebuild following the formal steps he had to take in order to address his financial problems.

While I am aware Mr R holds Vanquis responsible for his loss of investment opportunity, I've not seen enough to persuade me Vanquis are liable for the financial loss Mr R has described. Firstly, I think it unreasonable for Vanquis to be held responsible for any credit refused to Mr R before they had been made aware Mr R's DRO had successfully completed. But, secondly, there is not enough here to persuade me that any credit refusal Mr R experienced was purely due to Vanquis's inaction after October 2024.

I say this because Mr R was applying for credit in the months following the completion of his DRO, and a DRO remains on a person's account for 6 years as do any defaults. A DRO – even completed - would very likely have an impact on a lender's decision to provide credit. Lenders also take into account a number of variables when deciding whether to lend to someone including things like affordability and a person's ability to sustainably repay a debt. So a lending decision is not based solely on a person's credit file – that is one of the considerations.

Given there could therefore be a variety of reasons for a person not to be approved credit at a particular time, in these circumstances, there's not enough to persuade me that any credit Mr R was refused while the reporting of his account was not accurate was refused solely and directly because of Vanquis's reporting not being up to date. So I don't think Vanquis should pay for any financial loss Mr R says he has incurred due to not being able to get credit.

That said, I do think how Vanquis have handled this matter has had an impact on Mr R.

I think Vanquis could have done more to help Mr R when he came to them in October 2024 and raised his concerns given they could have updated their reporting at that time. This meant Mr R's credit file was reported inaccurately for longer than it needed to be and as I've already noted I think it is clear Mr R's creditworthiness and wish to rebuild his financial standing is important to him. Mr R also told us of the stress this has caused him, the impact to his well-being, and the time he has had to spend in sorting this out.

I'm also mindful of Vanquis's decision to not process Mr R's DSAR until this service became involved. Mr R first made his DSAR in February 2025, the request was closed because Vanquis said Mr R had come to our service; the request was raised again in March 2025, but Vanquis now have limited records of this, and they have again written to Mr R in late July 2025 requesting information from him to process the request - once more after this service's involvement. In light of this I think it reasonable to say Vanquis fell short here in supporting Mr R with his DSAR for this account.

I think the trouble Mr R has had in obtaining his DSAR has only added to Mr R's frustration and distress in getting to the bottom of what had happened with his credit reporting and his wish to ensure his financial standing was being accurately reported.

Taking everything into account, I think a fairer award to recognise the personal impact of these events on Mr R would be for Vanquis to pay Mr R £275.

I realise this is not the sum that Mr R is looking for to resolve this matter, so it may help for me to also explain that my role here is to decide what I think is a fair and reasonable resolution in this case – I do not have the authority to fine or punish a business, or request that they change their systems, controls or processes as these are all considerations for the

appropriate regulator.

In summary, I think Vanquis could have updated Mr R's credit file sooner than they did. Not doing this caused Mr R distress and inconvenience, and the service Vanquis provided when Mr R submitted a DSAR was poor – all of which Vanquis should recognise by paying Mr R £275. However, I've not found anything to suggest Vanquis's failure to update Mr R's credit file sooner was the causal reason Mr R was refused any credit after his DRO ended, so I make no further award.

Responses to my provisional decision

Vanquis replied to confirm acceptance of my provisional findings and confirmed Mr R's DSAR had been actioned.

Mr R disagreed with the provisional findings. In summary, he said the proposed £275 to settle the matter did not adequately reflect the level of distress and inconvenience he had experienced in trying to sort out his credit file and obtain his DSAR. Mr R said that on receipt of his DSAR it was apparent Vanquis had not reported his contact to them earlier in 2024 about correcting the DRO, and had wrongly recorded the date of his complaint to them. Mr R said Vanquis could not be trusted and had made the whole experience very difficult for him given they ignored his requests multiple times.

Mr R also said the inaccurate reporting of his DRO had misrepresented him so that he was refused all credit and that now the matter had been rectified he had been able to obtain credit. Mr R said the impact to him had been underestimated given that Vanquis had blocked his access to credit for 12 months and access to his personal data for 6 months causing him a great deal of stress and financial hardship, while he managed challenges with his health which Vanquis were aware of.

Following the responses to my provisional decision, both parties were invited to provide evidence of any communications between them prior to October 2024, and to provide this by 19 September 2025.

Mr R did not respond to this request.

Vanquis replied showing evidence of their searches for contact with Mr R prior to October 2024, but they were unable to locate any call records with Mr R, despite searching different contact numbers for him they have held, or any email communications from Mr R. Vanquis were able to find a copy of the complaint Mr R raised via their webform platform on 17 October 2024 in which Mr R said '*this is my second time getting in contact...*'

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 have reviewed this matter once more and having done so I am increasing the compensation I proposed in my provisional decision to £300 for the reasons I have explained below. My findings in relation to any consequential loss Mr R has claimed relating to the challenges of obtaining credit have not changed from the reasons set out in my provisional findings above as I've not seen any new evidence to persuade me otherwise.

Where the evidence is incomplete, inconclusive or contradictory I have reached my decision on the balance of probabilities – in other words, I have based it on what I think is more likely than not to have happened given the available evidence and the wider circumstances.

It is not disputed that Mr R's DRO ended in April 2024, but as I previously explained, updating the status of the default following completion of the DRO is not something that Vanquis would reasonably have been expected to do as soon as 12 months expired. So the question is when Vanquis could reasonably have been aware they ought to update their reporting of Mr R's account.

I note there is no record of any contact between the parties until October 2024 when Mr R raised his complaint, and I must take into account it is not clear why Vanquis have no records of Mr R's contact prior to making his complaint.

But in light of the most recent submissions it seems more likely than not Mr R did contact Vanquis prior to October 2024 given what he said when making his complaint to Vanquis on 17 October 2024 that this was his second time of getting in contact. As Mr R's submissions are that he contacted Vanquis in June 2024, I think it is fair to accept this is when Mr R more likely than not first contacted Vanquis to update his credit file.

It was following this service's involvement that Vanquis updated the reporting of Mr R's account in March 2025 and raised his DSAR again. But while Mr R's account reporting was updated, his DSAR was not actioned – something Vanquis accept was a failing on their part – and so it was following this service's intervention once more that prompted this to be actioned and sent to Mr R in early August 2025.

Vanquis's handling of Mr R's request to ensure his account was being reported accurately and their handling of his DSAR have both been poor, so I recognise Mr R's frustrations in this regard given how important sorting out his credit file was for him.

I realise Mr R is seeking a far higher sum of compensation to reflect what has happened here, and I've once more given this careful consideration and have increased this to £300.

It may help if I explain when determining an award of this nature our service considers such things as the time taken to sort out a mistake, the impact to someone's health and whether there was anything an individual may have been able to do in order to reduce the impact of the firm's mistake.

My increasing the compensation to £300 may not be the level of award Mr R was hoping for, but I remind him it is not for me to fine or punish a firm, and I assure Mr R I have considered what he has shared with this service about his health and well-being. I have made this award with no intention to underestimate the challenges Mr R has with his health on a day-to-day basis.

My role here is to decide what is fair and reasonable in the circumstances of the individual case, and while Mr R made attempts to engage with Vanquis, I have also considered there were periods of time where no communication took place between either party before the complaint was brought to our service to investigate, which was towards the end of 2024.

Determining a financial award to reflect the personal impact an error has had for someone is not easy and it is not possible to undo what has already happened, but taking everything into account I think the award of £300 is fair to reflect the distress and inconvenience caused to Mr R by Vanquis's shortcomings in this matter.

Putting things right

Vanquis Bank Limited should pay Mr R £300.

My final decision

For the reasons above, my final decision is that Vanquis Bank Limited should put things right as I've described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 28 October 2025.

Kristina Mathews
Ombudsman