

The complaint

Ms M complains about the way Vanquis Bank Limited has administered her credit card account.

What happened

In 2023, Ms M complained to Vanquis that she was unable to use her credit card in shops. Vanquis responded to that complaint and explained the card had a fault and she would need to request a replacement. Ms M says that since that complaint response she has not had a fully working card.

Around the same time Ms M also contacted Vanquis to explain the date she would be paid had changed. She says she asked Vanquis to change the payment date for her credit card so that she could continue to make her monthly repayments on time.

In 2024, Ms M complained to Vanquis that it had not amended her payment date as she had requested. She said this had resulted in numerous late payment charges over the previous nine months. Vanquis agreed to change the payment date and refunded the most recent late payment charge.

Ms M then raised a new complaint concerning the interest that had been charged to her credit card account. She said that Vanquis had not been calculating it correctly and had overcharged her. She was also unhappy that she had needed to call Vanquis to log a complaint after she had tried to unsuccessfully log a complaint online. She says Vanquis incorrectly told her that her name did not match their records.

When the complaint was referred to our service Vanquis agreed to pay Ms M £150 compensation for the distress and inconvenience its poor service had caused her.

Our investigator reviewed matters and arranged for Vanquis to issue a replacement credit card to Ms M. Although he didn't think Vanquis had charged interest incorrectly on the credit card account or acted unfairly when logging the complaint online, he was of the view that the £150 compensation Vanquis had offered was a fair way to put things right for the overall level of service she had received.

Ms M didn't agree, so the complaint has been passed to me for a 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.

Ms M has raised several issues with the way Vanquis has administered her credit card account. I'll deal with each of these separately.

Card not working

Ms M raised a complaint about her card not working in 2023. Vanquis sent her a final

response letter explaining how she could request a replacement card and offering her £50 compensation. She didn't refer that complaint to our service within the required time limits, meaning I don't have the power to investigate anything that happened as part of that complaint. However, Ms M said she continued to have issues with using her credit card, so my decision is focussed only on the events after the final response letter was issued.

I haven't seen anything to show Ms M ever requested a replacement card in the manner Vanquis had suggested in its final response letter. This is why she continued to have problems using the faulty card – as she had not followed the correct process to request a new one. As Ms M didn't contact Vanquis in the way it had asked her to, I can't fairly say Vanquis treated her unfairly in relation to her continued issues with the card. I can see when she raised this with our investigator he arranged with Vanquis for a replacement card to be issued which resolved the problem. I therefore don't think Vanquis needs to do anything more in relation to this issue.

Monthly payment date

Vanquis says that when Ms M called in September 2023 to say the date she gets paid has changed, she didn't ask for a permanent change to her monthly credit card payment dates. However, Vanquis has accepted that it should have realised this might be a possibility and should have asked more questions at the time. Had it done so, it accepts that the payment date would likely have been changed at that time.

While Vanquis accepts it could have done more, it doesn't think it would be fair to refund the late payment and over limit charges that were applied to her credit card account after the call. It says that Ms M didn't contact it again until nine months later. It said it was Ms M's responsibility to manage her credit card account, and she should have noticed the payment date had not changed much sooner. But it agreed to pay her £150 compensation for the distress and inconvenience it caused her by not updating the payment date in September 2023.

I've reviewed Ms M's credit card statements between October 2023 and May 2024 (when she called Vanquis again). I've included a brief summary below:

- October and November 2023 statements – no charges because they were paid on time.
- December 2023 and January 2024 – both an overlimit charge and a late payment charge in each month.
- February 2024 – no charges as paid on time.
- March 2024 – an overlimit charge. Ms M made the monthly payment on time but spent more than her limit allowed.
- April 2024 – late payment and overlimit charge.
- May 2024 – no charges as paid on time.

It seems that the payment date not being changed in September 2023 resulted in three late payment charges (there was a fourth on the June 2024 statement, which Vanquis agreed to refund) and three overlimit charges (there was a fourth on the June 2024 statement which wasn't refunded). The overlimit charge in March 2024 was as a result of Ms M spending more than her limit, not because she didn't make her payment on time.

While there was also a late payment charge for the September 2023 payment, this would always have been applied even if Vanquis had changed the payment due date. This is because Ms M contacted Vanquis too late for any change to have been effective for that month. This means she incurred at most seven additional charges of £12 each (a total of £84) due to the payment date not being amended sooner.

It seems Ms M was on notice that the payment date hadn't changed as she was still relatively regularly making the monthly repayments on time and in the months that she didn't, charges were added to her account. I do agree with Vanquis that if Ms M had been under the impression she had requested a change to that date, she should have questioned this much sooner than she did, particularly when charges were being applied.

As Ms M didn't contact Vanquis until around six months after the first charge had been applied, I don't think she has done all she reasonably could to mitigate any loss she has incurred. I do however agree Vanquis could have done more during the call in September 2023 which might have avoided some of the charges being applied in the first place.

Taking everything into consideration, I think Vanquis' offer of £150 compensation for the part it played in not doing more during the call in September 2023 is a fair way to put things right.

Interest charges

Ms M says Vanquis has been overcharging her interest. She has provided calculations to demonstrate how she has reached what she believes is the correct interest charge that should have been applied in certain months.

I can understand why Ms M is concerned about the interest amount being charged. However, I've not seen anything to persuade me that Vanquis has been charging her the incorrect amount.

How the interest on each statement is calculated is more complex than the method Ms M has used. This is because the amount of interest can fluctuate depending on many different variables such as the date Ms M's monthly payment is made, if she receives any refunds for purchases and what days those credit the account, and the date any given purchase transaction is applied.

Ms M's calculation will give a reasonable estimate of how much interest is likely to be charged, but it is unlikely to ever be exactly accurate. This is because her calculations don't take into account any of the variables (or others) that I've mentioned above. While her calculations are a few pounds or pence different each month, I'm not persuaded this demonstrates the interest has been charged incorrectly. I don't therefore think Vanquis needs to do anything to put things right in relation to this issue.

Complaint not logged

Ms M says she tried to log her complaint online about the excessive interest charges but was prevented from doing so as Vanquis couldn't match her name. She said she was therefore forced to make a call to log the complaint instead.

I can understand why this would have frustrated Ms M as she was trying to get an understanding quickly of why (as she believed) she was being overcharged, and she thought she had provided Vanquis with sufficient information to identify her and her account.

Vanquis says that on the online webform Ms M input only her initials for her first name. It has provided a screenshot demonstrating this. The customer services representative that contacted Ms M said that it needed to confirm her full name before the account could be located and a complaint logged. Vanquis has accepted the representative could have been clearer when explaining exactly which part of Ms M's name did not match.

In any event, I've not seen anything to demonstrate Ms M responded to the representative's

email with her details as requested. Instead, she says she logged her complaint over the phone. I don't think the request from Vanquis was unreasonable as I can see Ms M only supplied her first initials. Further, Ms M didn't respond to the request and was able to log her complaint in another way, so I can't see there was any material impact on Ms M in any event. I don't therefore think Vanquis needs to do anything else in relation to this issue.

My final decision

For the reasons given above, I uphold this complaint and direct Vanquis Bank Limited to:

- Pay Ms M £150 compensation (if it hasn't already) for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 24 November 2025.

Tero Hiltunen
Ombudsman