

complaint

Mr G complains that Vanquis Bank Limited told him that it would not charge further interest on his credit card account, but that it continued to do so and his credit file has been affected.

background

Mr G called Vanquis in August 2014 and requested that it closed his credit card account. Vanquis explained that it could block the account from further transactions, but that it could not close it until the outstanding balance was paid off. Mr G says he was told that no interest would be charged in the meantime. But, when further interest was applied to Mr G's account, he called Vanquis again in September and was told that interest would continue to be charged. It did, however, refund all interest and charges that had been applied between the two calls.

Our adjudicator did not recommend that the complaint should be upheld. She acknowledged that Mr G had been given the impression that no further interest would be charged, but she considered Vanquis had acted fairly and reasonably by refunding the interest and charges.

Mr G responded to say, in summary, that Vanquis had failed to honour its agreement and that, because of the interest charged over the years, he felt that he had already paid back what he owes.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I have listened to the call from August 2014 and I understand why Mr G thought no further interest would be applied to the account. However, as the adjudicator explained, when a business gives a customer incorrect information, this service does not expect it to honour the misrepresentation. Instead, we consider whether the business responded fairly and reasonably when it became aware of its error. In this case, Vanquis refunded all the interest and charges for the period in which Mr G was under the impression his account would be interest-free. Therefore, I do not consider Vanquis needs to do any more in this respect.

Nevertheless, Vanquis still has an obligation to respond to customers in financial difficulty positively and sympathetically. I can see that Mr G was offered a fixed payment plan in September 2014 which he refused. Additionally, Vanquis offered him a payment plan in January 2014, to which Mr G has not responded. I understand that Mr G says the reason he hasn't responded is because of the ongoing complaint with this service, but I find that Vanquis has met its obligation to respond positively and sympathetically.

Finally, I acknowledge that Mr G says this has adversely affected his credit file. I accept that this is the case but, as Mr G has not made any payments to his credit card account since July 2014, I cannot conclude that Vanquis was wrong to notify the credit agencies.

I understand that Mr G has requested a provisional decision before a final decision is issued. However, that process only applies if the ombudsman's decision differs from the adjudicator's opinion. That is not the case here.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr G to accept or reject my decision before 24 April 2015.

Amanda Williams
ombudsman