

## **complaint**

Mr B complains Vanquis Bank Limited was wrong to record a late payment marker against his credit file.

## **background**

In March 2014 Mr B set up a direct debit on the phone for his monthly credit card repayment. He says the adviser said the first payment would come out in May – but failed to tell him to make his April payment manually. So he believed that his April and May payments would both be taken in the May direct debit – and missed his April payment as a result. He considers the bank should have explained the process more clearly so it should remove the late payment marker.

Vanquis says it told Mr B his first payment would be taken in May. And his statement showed when the April payment was due so Mr B should have made sure it was paid. Vanquis has refunded the late payment fee as a gesture of goodwill - but says it must record information accurately with credit reference agencies. And Mr B missed a payment so it can't properly remove the late payment marker.

Our adjudicator didn't consider the complaint should be upheld. He's satisfied Vanquis told Mr B that the first direct debit wouldn't be taken until May. And Mr B is responsible for making his repayments. So he should have checked that his April payment would be made.

Mr B says this wouldn't have happened if Vanquis had explained properly or simply told him he had to make the April payment manually. So it's not his fault he missed a payment and the bank should rectify his credit record.

## **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 can see Mr B feels strongly that Vanquis should have told him he needed to make his April payment manually when he rang to set up a direct debit. And I have listened to the call recording carefully.

I'm satisfied the telephone adviser told Mr B that his first direct debit payment wouldn't be taken until May. I appreciate Mr B thought that meant the May payment would consist of both his April and May repayments. But I'm not persuaded the telephone adviser led him to believe that was the case. And customers are responsible for ensuring payments are made when they're due. So I consider if there was any doubt Mr B should have asked the bank to clarify which payments would be made.

I realise Mr B would have preferred it if Vanquis had told him to make the April payment manually. But the telephone adviser offered to read information about direct debit payments to Mr B. He declined and asked for the information to be posted out. And Vanquis has provided a copy of the letter it sent.

I'm satisfied this tells customers they should pay by other means until the regular direct debit payment appears on a monthly statement. Mr B says he never received this letter. But I'm satisfied it was sent. So I can't reasonably hold Vanquis responsible for that.

In the circumstances I'm satisfied Vanquis provided Mr B with enough information to enable him to make the payment. He didn't, and lenders are obliged to report accurately to credit reference agencies. So I can't fairly require Vanquis to remove the late payment marker.

It is open to Mr B to apply to credit reference agencies to add a note to the marker explaining the circumstances in which the payment was missed - which mitigate any adverse effect. And I leave it to him to decide whether he wishes to do so.

**my final decision**

For the reasons I have given I do not uphold this complaint. Under the rules of the Financial Ombudsman Service, I am required to ask Mr B to accept or reject my decision before 12 January 2015.

Claire Jackson  
**ombudsman**