

complaint

Mr M complains about the difficulties in establishing a reliable repayment method for his credit card account with Vanquis Bank Limited (Vanquis).

background

In late 2017 Mr M contacted us to complain about the difficulties he'd had in making direct debit payments and other payments on his credit card account with Vanquis. He said he'd complained about this but hadn't received the final response letters.

When he received those he said the responses didn't reflect the conversations he'd had with Vanquis about the issues concerning his payments not working, so he wanted us to consider the complaint. He also wanted us to consider his complaint about Vanquis requiring proof of address before it would send him a new card for the account.

Our investigator contacted Vanquis, saying that Mr M was unhappy that he'd not been able to set up regular repayments for his credit card account, and that when he's complained it hasn't been fully investigated or responded to. She also explained he was unhappy that Vanquis needed further information to send his card to his address, but had been writing to him there anyway.

After getting some information from Vanquis, our investigator gave her first view in February 2018. She said it looked like the issues with Mr M's repayments started in mid 2016 when a direct debit instruction was set up and cancelled a number of times. A continuous payment authority (CPA) was then set up, but this was declined each time. Based on information from Vanquis, our investigator thought the CPA didn't work because Mr M's card had been reported lost or stolen. She said that because Vanquis should have known his CPA wouldn't work, she recommended that any fees and interest charged from November 2016 to January 2017 be refunded and any entries on his credit file be removed.

She said that from January 2017 Mr M knew his payments weren't being taken automatically. She said Vanquis told him other ways to make payments. He missed several payments but Vanquis refunded late charges as a gesture. In November 2017 a new direct debit was set up. It seems to have failed because no instruction was held for it at Mr M's bank. Vanquis had told her that it had done everything it needed to, so Mr M needed to speak with his bank.

In relation to checks on his address before a new card could be sent, our investigator thought this was justified before sending something as important as a new card, even if Vanquis had been content to write to him at that address.

Mr M responded, saying that Vanquis had set up a new direct debit with an old reference number repeatedly, which was why it had failed. His CPA didn't work, which sometimes he noticed after the payment was due, and he was charged fees. And he wasn't able to pay by other methods, such as the internet, since he couldn't get access. He wanted our investigator to listen to calls he'd had with Vanquis managers.

After making further enquiries with Vanquis and with Mr M's bank, our investigator gave a further view. She said that Vanquis had told her that the reference number didn't have an impact on whether the direct debit was successful. She'd earlier explained it was based on his account number. And his bank didn't suggest there was a problem with the way the direct

debit was set up. The statements provided by his bank show that the payments failed when Mr M didn't have credit available in his account for the payment to be made. She couldn't see any evidence that the direct debit was failing because of the way Vanquis had set it up, so she couldn't agree that it needed to do anything more.

She also said that Vanquis now said that it had given wrong information in early November 2017 when it had said the CPA had failed because the card had been blocked. This wasn't right. And it had refunded the charges for the period from November 2016 to January 2017 already. So she didn't think it needed to do anything further about that time.

Mr M asked for a decision from an ombudsman. He also wanted it to deal with a complaint about his new card being sent to a different address without him showing any proof of address. Our investigator had told him that he had to complain to Vanquis first about that before he could bring it to us. And he asked again that we listen to calls, but our investigator said she'd asked Vanquis for calls with managers and it couldn't locate any. She said if he had any evidence of the times and dates of the calls, we could ask again.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I can see Mr M is frustrated by the difficulties he's had making payments on his credit card account. That's very understandable. He thinks Vanquis is to blame. But I'm afraid I'm going to have to disappoint him, as I agree with our investigator, for much the same reasons.

I've looked at the information provided to us by Vanquis and Mr M's bank very carefully. I agree with our investigator that Mr M's bank statements do show that the direct debit was unable to be taken successfully at times because Mr M's account didn't have enough credit. So I can't say that the direct debit didn't operate because of something Vanquis did or didn't do. And I can see that Mr M was able to make payments on occasion, so I can't say there was no way he was able to make payments on the Vanquis account. I can also see that Vanquis did refund charges in January 2017 as a goodwill gesture.

I've no doubt Mr M has had difficulties operating a direct debit on the account. But I'm unable to say that it's due to any failing by Vanquis. And Vanquis haven't been able to locate the calls with managers that Mr M refers to. Mr M didn't respond to the investigator's request for the dates and times of such calls, so there's nothing further I can do about that. So although it will disappoint Mr M, I'm not going to ask Vanquis to do anything further.

Mr M feels he's been given different information by his bank as to the reason for the difficulties with the direct debit. That's not something I can do anything about at this time but he's welcome to raise it with his bank and, if necessary, make a complaint to it.

Mr M also wants me to look at a complaint he has about his new card being sent to an address he hadn't provided proof of address for. As our investigator said, Mr M needs to complain to Vanquis about this before we can look at it. He had complained to Vanquis about being required to provide security information before the card was sent, so our investigator was able to deal with that issue but we can't deal with this new issue until he's complained to Vanquis. I'm sorry if that disappoints Mr M.

my final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 2 September 2018.

Helen Wheatley
ombudsman