

complaint

Mr Q complains that Vanquis Bank Limited wrongly sold him a repayment option plan when he opened a credit card account. Mr Q is being helped with his complaint by a third party representative.

our initial conclusions

The adjudicator did not recommend that this complaint should be upheld. He concluded that the card terms and conditions and the script that was read during card acceptance phone calls explain the repayment option plan and say that it was not compulsory. He also concluded that the plan was not an insurance policy. Mr Q's representative says that the price charged and the method of charging differs from that stated in the terms and conditions. It adds that because Mr Q applied online, the script was not read to him. It also says that the plan is an insurance policy.

my final decision

I have considered all that Mr Q, his representative and Vanquis Bank have said and provided in order to decide what is fair and reasonable in this complaint.

I am not persuaded by Mr Q's representative's argument that Vanquis Bank's repayment option plan is an insurance policy. It is an optional term in the credit agreement. When the plan is activated, payments are suspended, though the account balance does not reduce.

Vanquis Bank says that Mr Q applied online for the card, but later enrolled in the plan in a telephone conversation. I am satisfied Mr Q was aware that he took out the plan and that it was not compulsory. The plan was described in the credit agreement and in the script Vanquis Bank used during its telephone call to Mr Q. The plan payments were set out clearly on Mr Q's monthly statements.

I am not persuaded that Vanquis Bank wrongly sold the plan to Mr Q. I therefore do not consider that it would be fair or reasonable for me to require it to refund the monthly payments to Mr Q or to compensate him in any other way.

For these reasons, my final decision is that I do not uphold Mr Q's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr Q either to accept or reject my decision before 21 June 2013.

Jarrold Hastings

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

In his complaint form, Mr Q did not complain about the price that he was charged for the plan or that he had been charged incorrectly. If he wishes to complain about those issues, he would need to first complain about them to Vanquis Bank and then complain to this service if he is unhappy with its response.

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.