

complaint

Miss P complains about irresponsible lending by Vanquis Bank Limited, which contributed to charges and interest on her account and negative information on her credit file.

background

Miss P opened a credit card account with Vanquis in 2009. She considers it was irresponsible of the bank to give her the card because of her poor credit rating, and she incurred charges and interest on the account. It eventually defaulted and this was recorded on Miss P's credit file.

Our adjudicator said our rules meant he could only look at what had happened on the account since 2013. He didn't find that Miss P had told Vanquis she thought its lending was irresponsible after it had sent her a default notice in July 2013.

He was also satisfied that interest and charges had been applied in line with the account terms. So the adjudicator didn't recommend the complaint should be upheld.

Miss P didn't agree with the adjudicator's conclusions, so the complaint has been passed to me.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

As the adjudicator has explained, our rules mean that I can only consider what's happened on Miss P's account during the six years before she brought her complaint to this service. So I can look at events since 27 March 2013, but not before that date.

Vanquis sent Miss P a notice of default in July 2013. I can't see that Miss P contacted Vanquis at that point, and the account was passed to a debt collection agency shortly afterwards.

Miss P's credit file shows a default was registered on her credit file in January 2014. So I can't safely say that the default has been registered on her file for more than six years, as Miss P suggests.

Miss P received a refund in connection with a repayment plan she had on the account. That was because Vanquis said it could've done a better job of explaining how interest was charged on that plan.

But I understand there was a balance remaining on the account after the refund was made. So that point doesn't persuade me that the default was wrongly entered on Miss P's credit file.

And I've seen nothing to suggest that interest and charges weren't charged in line with the account's terms and conditions, even if Vanquis's explanation of the repayment plan interest could've been clearer.

So overall, I don't think there are any reasonable grounds on which I can uphold Miss P's complaint.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 23 November 2019.

Caroline Stirling
ombudsman