

## **complaint**

Miss J complains that Vanquis Bank Limited did not credit her account with a payment she made. She then incurred charges and the account has been defaulted.

## **background**

Miss J made a payment to her credit card account in April 2013. In September she contacted Vanquis because she was concerned that the payment had not been credited to her account. It was not able to confirm that the payment had been received and did not do so, even when she sent proof of the payment to it. She says that the balance of the account was therefore wrong, which resulted in Vanquis taking monthly repayments that were higher than they should have been. The account is now in default.

Vanquis has now confirmed that the payment was credited to the account when it was received in April. However, it accepts that it did not make this clear to Miss J when she telephoned to ask about it. It has refunded some of the charges that were applied to the account.

The adjudicator recommended that this complaint be upheld. She concluded that had Vanquis confirmed that the payment had been received, Miss J would have continued to make the required monthly repayments. She therefore considered that Vanquis should refund all the charges, remove the default from Miss J's credit file and pay £200 for the distress it had caused.

## **my findings**

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

Vanquis has accepted that it provided incorrect information to Miss J when she telephoned it to ask whether the payment had been received. It says that, because Miss J was asking about a credit that had been made more than six months previously, it did not show as only six months history shows on its system. Miss J sent Vanquis proof that she had made the payment, as it requested her to do. However, Vanquis did not confirm that it had received the payment for a further three months and, in the meantime, had defaulted the account.

It then agreed to refund charges amounting to £60. Despite Miss J making the full repayment of the amount outstanding in April, Vanquis also took the minimum payment due by direct debit. This was subsequently returned unpaid for which she was charged and I find this should be refunded.

I appreciate that Miss J has a responsibility to monitor and manage her own accounts. However, she has explained that she had been unwell and in hospital so had been unable to check her statements. I am satisfied that when she asked Vanquis to check if the payment had been received it should be aware that, because of the timing, it might not appear on its system and have made this clear to Miss J. Overall, the service Vanquis provided was not up to the standard Miss J should have been able to expect and I accept this has caused her both distress and inconvenience. I also consider that Miss J has not helped the situation because she did not make the monthly contractual repayments whilst her complaint was being investigated. However, I am persuaded that had Vanquis confirmed, when she first asked, that it had received the payment, then she would have continued to make monthly

repayments. In the circumstances, and after careful consideration, I find the fair way to settle this complaint is for Vanquis to refund all the charges applied relating to this, together with the April charge above. It should also remove the default information from her credit file and pay £200 for the upset it has caused.

I would urge Miss J to contact Vanquis, if she has not already done so, to agree an acceptable repayment plan.

**my final decision**

My final decision is that I uphold this complaint. I require Vanquis Bank Limited to:

1. Refund the April 2013 returned item charge, together with all the other charges relating to this matter.
2. Remove the default information from Miss J's credit file.
3. Pay Miss J £200 for the distress and inconvenience it has caused.

Karen Wharton  
**ombudsman**