

complaint

Mrs P complains that Vanquis Bank Limited didn't do enough to limit her spending on her credit card account when she was experiencing difficulties.

background

Mrs P suffers from ill health and she says that, alongside some other difficult circumstances, this led to her starting to gamble.

Mrs P used her Vanquis credit card account to make payments to various gambling companies. Between 2011 and 2015 a number of short term repayment arrangements were agreed to bring the account back up to date.

In early 2016 Mrs P fell behind with her repayments and Vanquis stopped her using her credit card. In November 2016 she owed £2,849.68 and Vanquis agreed to accept £2,000 in full and final settlement of her account.

Mrs P says Vanquis was irresponsible in continuing to lend to her when she was using the account for gambling and was in poor health. Vanquis says it didn't know about Mrs P's circumstances and the transactions were within the usual pattern of spending on the account, so there'd be no reason for it to think the transactions were suspicious.

Our investigator didn't think Mrs P's complaint should be upheld. But Mrs P didn't agree, so the complaint's been passed to me for a decision.

my findings

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

Having done so, I'm not going to uphold Mrs P's complaint. Let me explain why.

It's clear from the statements that the account was used mainly for making payments to gambling companies. But I don't think this, in itself, is enough to say Vanquis should have reduced Mrs P's credit limit or stopped her using the card - because I don't think Vanquis was obliged to monitor what Mrs P was spending her money on. So I don't think Vanquis has been irresponsible in not restricting her account because of this.

Vanquis *is* obliged to treat consumers in financial difficulty positively and sympathetically and I think it's done that with Mrs P.

When Mrs P called Vanquis in 2012 she said she'd been off ill but had returned to work, and a repayment arrangement was put in place to bring the account back within its limit. I know Mrs P thinks Vanquis should have probed further into her situation, but having listened to the phone call between Vanquis and Mrs P I don't think there was any need for Vanquis to ask any more questions about her health at that time.

Vanquis went on to agree more repayment arrangements with Mrs P on the occasions she fell behind with her repayments. These appear to have been affordable to Mrs P at the point they were agreed. Mrs P was getting the account back on track with the repayment arrangements – and at one point she repaid the full balance.

When Mrs P fell more significantly behind with her repayments in early 2016, Vanquis refunded some of the charges and subsequently accepted a reduced amount in full and final settlement of her debt. So I don't think Vanquis needed to do anything else to help her manage her account.

I've looked at the notes Vanquis made of its communication with Mrs P and listened to the call recordings it's provided, and I'm satisfied Vanquis didn't know the full extent of Mrs P's problems until 2016. Even if it had known about her problems earlier, I don't think it should have done anything differently.

I think Vanquis has acted fairly in how it has dealt with Mrs P. So although I appreciate this will be disappointing for her, I'm not going to ask it to refund any interest or charges.

my final decision

My final decision is that I'm not upholding Mrs P's complaint, for the reasons I've explained.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 12 April 2018.

Helen Sutcliffe
ombudsman