

complaint

Miss V complains about the way that Vanquis Bank Limited has dealt with her account. In particular she complains that it mis-sold her a repayment option plan, that it collected premiums for the plan when she was experiencing financial difficulties and that it phoned her excessively.

our initial conclusions

The adjudicator recommended that this complaint should be upheld. She concluded that Vanquis incorrectly charged Miss V for the plan from February 2010 to February 2012 and that it phoned her excessively. She recommended that it should refund the plan charges, with interest, from February 2010 to February 2012 and that it should pay her £100 compensation for the distress and inconvenience that she was caused. Vanquis says, in summary, that the plan is an optional feature which Miss V agreed to take and that it did not phone her unnecessarily.

my final decision

I have considered all that Miss V and Vanquis have said and provided in order to decide what is fair and reasonable in this complaint.

I am not persuaded that there is enough evidence to show that the repayment option plan was mis-sold to Miss V. However, it is clear that Vanquis knew that Miss V was experiencing financial difficulties from February 2010 when a reduced payment plan was agreed with her. At that time, I consider that it would have been fair and reasonable for Vanquis to have discussed the repayment option plan premiums with her. I have seen no evidence to show that it did so and it continued to charge the premiums until February 2012 when Miss V's debt was sold to a third party. I also consider that the evidence shows that Vanquis did phone Miss V excessively and continued to do so after she had asked it to stop phoning her.

I therefore consider that it would be fair and reasonable for Vanquis to take the actions recommended by the adjudicator. I do not consider that it would be fair or reasonable for me to require Vanquis to write-off the outstanding balance of Miss V's account or to remove any adverse information that has correctly been recorded on her credit file.

My decision is that I uphold Miss V's complaint in part, as described on the next page.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss V either to accept or reject my decision before 17 January 2014.

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 full and final settlement of Miss V's complaint, I order Vanquis Bank Limited to:

1. Refund to Miss V the repayment option plan premiums that it collected from February 2010 to February 2012.
2. Pay interest on those amounts at an annual rate of 8% simple from the date of payment to the date of settlement.
3. Pay £100 to Miss V to compensate her for the distress and inconvenience that she has been caused.

If Vanquis deducts tax from the interest element of my award, it should send Miss V a tax deduction certificate when making payment. She can then use that certificate to reclaim the tax if she is entitled to do so.

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.