

complaint

Ms B complains that she was mis-sold payment protection insurance (PPI). She says it was not suitable for her needs, and that the Vanquis Bank Limited representative did not ask her about any pre-existing medical condition which might have meant she could not benefit from the policy. She would like a full refund of the policy premiums and interest.

our initial conclusions

Our adjudicator did not recommend that this complaint should be upheld. She explained that the policy sold was a Repayment Option Plan (ROP), and not PPI. She thought that it was likely that Vanquis had not departed from its sales script, which explained that the policy was optional; and the terms and conditions of the account that had been provided to Ms B also stated that the policy was optional. Finally she noted that, in any event, the existence of a pre-existing medical condition would not impact on the ROP.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Ms B and the Vanquis have said and provided.

Ms B says that she spoke to a member of Vanquis staff prior to completing the online application and was told that refusing the policy might lead to the refusal of her credit card application. However, although Vanquis cannot now provide a copy of the call, it has provided a copy of the sales script used by its representatives. I have carefully considered what Ms B has told us about the sales process, but I find it more likely than not that the representative followed the script, which states that the ROP was optional, and I also think it unlikely that Ms B was told the policy was PPI – as Vanquis has told us, it did not offer that product. The account terms and conditions also state that the plan is not compulsory and can be cancelled at any time, and confirm that the eligibility to take out the ROP began after Ms B had been approved to open the account. It follows that I am not persuaded that Ms B's acceptance of the ROP plan (or not) would have impacted on her ability to obtain the credit card, and I am not persuaded that Vanquis did anything wrong, or that the ROP was mis-sold.

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Ms B either to accept or reject my decision, before 28 May 2013.

Claire O'Connor

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

The ROP was removed from Ms B's account in August 2009.

The ROP was not an insurance product. It enabled repayment obligations to be frozen, together with interest and default charges, in the event of certain difficult financial circumstances. Vanquis has confirmed that any pre-existing medical condition would not stop the ROP being activated; it also says that it has been unable to find that it ever refused to activate the ROP for Ms B on the basis of any pre-existing medical condition or for any other reason. The bank also says that the information about the policy was included in the welcome pack which came with Ms B's card and was itemised on each monthly statement she has received since.

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 must 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 and returns the signed acceptance card to us 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.