

complaint

Mr W complains Vanquis Bank Limited (Vanquis) incorrectly tried to charge him an annual fee for his credit card.

background

In 2017 Mr W took out a Vanquis credit card. Sometime later it told him a £25 annual fee would be charged. He was unhappy with that as his card's terms and conditions said no fee would be charged. He made a couple of complaints. In response to one Vanquis said a fee was payable. Mr W then closed his account. After he sent Vanquis the terms and conditions it accepted it'd made a mistake. In a final response letter it said no fee was payable. It said sorry and sent a cheque for £50 compensation.

Mr W didn't accept the £50. He thinks it's not enough. So he brought a complaint to this service. He thinks he should be paid about £3,000. This includes £1,000 for his time spent on the issue and the same amount for the distress and inconvenience Vanquis has caused him.

Our investigator said Vanquis didn't need to do anything more to put things right. Mr W didn't accept that. So the complaint has come to me for a final 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 making Vanquis do anything differently.

Vanquis accepts it incorrectly said an annual fee was payable on Mr W's credit card. So I don't need to consider whether it did make a mistake. The main thing to ask is if it's done enough to make up for any financial loss or trouble and upset the mistake has caused Mr W.

Mr W says the card was mis-sold. But I can't see that it was. He seems to be saying he was told, when agreeing to the card, that an annual fee wouldn't be charged. Vanquis has now accepted there shouldn't be one. So in regards to the annual fee the credit card seems to have been as described during the sale. Instead Vanquis' mistake was an administrative one. It incorrectly said a fee was chargeable. So I've considered if Mr W lost out financially as a result of this mistake. But he hasn't made me think that he did, for example he didn't actually pay an annual fee.

Mr W says Vanquis deliberately lied about the fee to cheat him. I haven't seen anything to support that. I think it's unlikely it did. I think it was probably a genuine mistake.

I can see that the dispute about the annual fee has gone on for a while. Mr W wrote various letters and made some phone calls. I've considered what he's said about the impact on him. He says he should be paid about £3,000, including £1,000 for the time he's spent getting the issue resolved.

But it's important to remember that the dispute is about the possibility of Mr W being unfairly charged a £25 annual fee. I accept this caused him some unnecessary distress and inconvenience. But I don't think it's a matter with such consequences that it would

reasonably cause the significant level of distress and inconvenience he's referred to. So overall I think the £50 Vanquis offered is enough to make up for what's gone wrong.

Punitive measures have been mentioned by Mr W. But this service doesn't punish businesses. Instead we look at the impact a mistake has had on an individual consumer. I think Vanquis has already offered Mr W enough to make up for that.

Mr W says a court would award him more compensation. If he doesn't accept my findings he will be free to consider pursuing any legal options available to him.

It seems Mr W returned Vanquis' £50 cheque. If he now wants to accept that offer he will need to contact Vanquis.

my final decision

For the reasons given above, I'm not making Vanquis Bank Limited do anything differently.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 26 October 2018.

Daniel Martin
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