

complaint

Mrs B complains that Vanquis Bank Limited has unfairly registered a late payment notification on her credit file.

background

In April 2015, Mrs B wished to close her credit card account. She had previously set up a direct debit to pay £40 per month into her account, this was due to be paid on 3 April 2015 (Good Friday). As this was a bank holiday, Mrs B believed the payment would have been taken the day before. On 6 April 2015, Mrs B cancelled the direct debit and called Vanquis to pay the balance of the account.

In fact, Vanquis had not taken the direct debit payment, but attempted to do so on the next working day, 7 April 2015. Mrs B had already cancelled the direct debit and so her bank returned it as unpaid. Vanquis applied a late payment charge and put a late payment notification on her credit file. When Mrs B explained that she had believed the direct debit would have been taken before 3 April due to the bank holiday, Vanquis refunded the late payment fee as a gesture of goodwill, but has not amended Mrs B's credit file.

Our adjudicator did not recommend the complaint should be upheld. He said that although he sympathised with the mistake Mrs B had made, her statement showed that the direct debit would be claimed "on or just after 03/04/15". He also listened to the call with the bank on 6 April 2015, when Mrs B paid off the balance. He said Vanquis had not made any mistakes.

Mrs B does not agree and wants the late payment notification to be removed from her credit file.

my findings

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

I appreciate that Mrs B thought the bank would have claimed her direct debit before the due date, but having seen the statement sent to her by Vanquis, I am satisfied the bank did not make a mistake. The statement clearly says that the direct debit would be taken on or shortly after 3 April 2015 and this is what the bank did, taking the payment on the next working day.

I am satisfied that Mrs B was not misled by the bank during the phone call on 6 April. The call operator made it clear that until her statement came out on 10 April, it was not possible to say what the residual balance would be, this meant she could not be told if the direct debit had been taken or not. Whilst I understand Mrs B was genuine in her belief that the direct debit had been paid, she was mistaken and had not waited to confirm this before stopping the direct debit.

Although I am satisfied the late payment fee was properly applied to Mrs B's account, the bank refunded this fee as a gesture of good will. I know it will disappoint Mrs B but I do not think it fair to ask the bank to remove the notification on her credit file as this does accurately reflect what happened. It remains open to Mrs B to add a note to her credit file explaining how this situation came about.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 26 October 2015.

Charlotte Holland
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