

### **complaint**

Mr Z complains about a Repayment Option Plan he had on his credit card account. He says Vanquis Bank Limited added the plan to his account without telling him, then said he had to have it. He says Vanquis later cancelled the plan – again without telling him – so he couldn't claim on it.

### **our initial conclusions**

Our adjudicator didn't recommend that the complaint should be upheld. He considered that when Mr Z opened the account, Vanquis had explained the plan to him, made it clear that the plan was optional, and Mr Z had then agreed to take it out. He didn't think Vanquis had acted unreasonably in cancelling the plan after Mr Z complained about it. Mr Z didn't accept that, because he has paid for the plan for several years and been unable to use it.

### **my final decision**

I have considered everything that Mr Z and Vanquis have said and provided in order to decide what is fair and reasonable in this complaint. Vanquis can't provide a recording of its conversation with Mr Z when it says he agreed to take out the plan. But I don't think that's unusual, given that this was some years ago. I have considered a copy of the script used by Vanquis's representatives when speaking to customers before the customer agrees to take out the plan, as well as the account terms. Both explain that the plan isn't an insurance product and it's optional, and set out its features. Vanquis says this information was also included in the welcome pack it sent to Mr Z.

The terms provide for the plan to be cancelled at any time, and the charges are set out on each monthly statement. Mr Z could have cancelled the plan, but chose not to. I find nothing to indicate that Vanquis didn't follow its usual procedures here; so it would have given Mr Z sufficiently clear information about the plan – including the benefits and costs – for him to have been able to make an informed decision. And I consider it was reasonable for Vanquis to cancel the plan when Mr Z complained he hadn't agreed to it. I think that was a clear indication he didn't want it, and Vanquis's records say it wrote to him to tell him it had cancelled the plan. In all the circumstances, I don't consider it would be fair or reasonable to require Vanquis to refund the plan charges or to permit Mr Z now to claim on the plan. **My final decision is that I don't uphold this complaint.**

**Under the rules of the Financial Ombudsman Service, I am required to ask Mr Z either to accept or reject my decision before 16 October 2013.**

*Janet Millington*

*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**

Like the adjudicator, I'm satisfied that – unlike payment protection insurance generally – the Repayment Option Plan isn't an insurance policy. It follows that the rules and guidelines relating to the sale of regulated insurance products aren't relevant to my decision in this case.

#### **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.