

complaint

Miss W complains that Vanquis Bank Limited mis-sold to her its Value Saver product which was added to her account. Miss W wants the product charges refunded and some compensation.

background

Miss W said she was sold something she didn't want and without her knowledge or agreement. In the years she had the product, she said she didn't receive any offers and was left "*totally in the dark*". She says she didn't receive the Welcome Pack. And she didn't think she was a member of the scheme. So she never asked for it to be sent to her. She was most surprised that she'd been paying for it on her account.

Vanquis says it called Miss W to tell her about its promotion with Value Saver. It was a 30 day trial period. If she didn't cancel it, she'd have to pay a monthly debit from her account. She was also told she'd get a welcome pack in the post and Vanquis said it was sent a few days later. Vanquis says Miss W agreed to the trial period and didn't cancel it 30 days later, so her account was billed.

Miss W complained to this Service. Our adjudicator thought the complaint should be upheld because he thought the product had been mis-sold to her. He said the sales recording was very short and rushed. And he couldn't see any evidence that the Welcome Pack had been sent to Miss W in 2013. Miss W said several times she'd make her mind up when she received the Welcome Pack. As she didn't receive it, she didn't tell Vanquis she didn't want the product. So it added it to her account. We asked Vanquis for proof it had sent the Welcome Pack to Miss W.

To resolve the complaint, our adjudicator suggested the policy premiums should be returned to Miss W. And that Vanquis should pay her £30 for her distress and inconvenience.

Vanquis disagreed with the adjudicator's view and asked for the matter to be looked at again. It said it couldn't provide evidence to show it sent the Welcome Pack to Miss W. And it referred us to another complaint which it said had exactly the same evidence but a different outcome. It suggested we should contact the marketing company who provided the Value Saver Service. It also couldn't see how a subscriber "*need only claim non-receipt of the Welcome Pack*" to obtain a full refund.

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 that I've decided to uphold this complaint.

I first listened to the call recording between Miss W and the Vanquis representative. I noticed the following things:

- Miss W was busy at the time but she was willing to take the call.
- Miss W was told of the discounts from various stores which she could choose. And she was told of the cashback vouchers;
- But the call was rushed and the caller hardly stopped for breath;

- Miss W tried to speak but the caller continued to talk over her – particularly where she was telling Miss W about the cost;
- The caller confirmed it was a free trial and she went through the cost after the 30 day trial had ended – but it was difficult to hear – because the caller was talking over Miss W.
- The caller told Miss W the Welcome Pack would be coming and she could decide then.
- Miss W said several times she'd be happy to decide about the scheme when she received the Welcome Pack.

Miss W said she never received a Welcome Pack. And Vanquis can't show any specific record that the Welcome Pack was sent. Vanquis told us it contacted the marketing company. But it too said it didn't retain or hold any records of the Welcome Packs it posted to consumers. So no-one can prove a Welcome Pack was sent to Miss W.

I don't think it was made clear to Miss W that her membership of the scheme would start or that she could only cancel it when she received the Welcome Pack. And I think Miss W thought she'd only agreed to get an information package giving her time to decide whether she wanted to be in the scheme. I agree with the adjudicator that the call was short and rushed. And I don't think Miss W understood she was saying she was interested in buying a product. So I think the product was mis-sold to her.

Vanquis has kindly referred me to another decision which had a different outcome. But I'm sure Vanquis is fully aware that each case is decided on its own facts. And any difference in facts can change the final outcome.

Vanquis has also said claiming non-receipt of the Welcome Pack entitles the consumer to a full refund. But in this complaint, neither Vanquis nor the marketing company can show a Welcome Pack was sent to Miss W – so I'm not just relying on her own evidence. I'm looking at the evidence from both sides.

Taking everything into account, I think Vanquis has done something wrong here and needs to put it right.

my final decision

My final decision is that I uphold this complaint and I require Vanquis Bank Limited to:

- refund to Miss W all the Value Saver policy premiums she paid along with associated interest incurred, if any.
- Pay Miss W £30 for her distress and inconvenience.
- Vanquis Bank Limited must pay the total compensation within 28 days of the date on which Miss W accepts my final decision. If Vanquis Bank Limited pays later than this it must also pay interest on the compensation from the date of the final decision until the date of payment at the rate of 8% per year simple.
- If it considers it is legally required to deduct income tax from that interest, it must send a tax deduction certificate with the payment so that Miss W can reclaim the tax if she is able to.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 3 October 2016.

Amrit Mangra
ombudsman