

complaint

Mr T complains that when an overpayment was made in error to the credit card he held with Vanquis Bank Limited, the bank has refused to refund the credit.

background

Mr T intended to pay off the balance of his credit card and close the account. At his request, his partner made a payment from her third party bank account to Vanquis. In error she overpaid by £340.85.

When Mr T requested that the money either be repaid to him or returned to his partner's account the bank refused. The bank sent a final response letter in which it said Mr T had breached the terms and conditions of the account by allowing it to go into credit. However, the bank went on to say that it would generally offer to refund the over credited payment and asked for proof confirming where the funds came from. Vanquis said this should be in the form of a bank statement showing the funds leaving the account and should include the name, address and account number of the originator of the payment.

The adjudicator felt that Mr T had sent this proof on a number of occasions and indeed sent the same proof herself, both in a hard copy and by email. Vanquis still refused to return the overpayment. The adjudicator felt this was unfair and recommended that the bank should refund the money in full to Mr T's partner's account and pay £150 compensation because it had caused further distress by unnecessarily escalating the complaint.

The bank disagreed and says there is still an absence of proof showing where the money came from.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I have come to the same conclusion as the adjudicator for much the same reasons. I am satisfied both Mr T and the adjudicator have repeatedly provided the proof requested by Vanquis to show the full details of where the money came from. The bank had indicated in its final response letter that notwithstanding the terms and conditions of the account, if this proof was forthcoming, it would "*generally*" refund overpayments. I am satisfied this overpayment was an error by either Mr T or his partner and do not consider it reasonable of the bank to refuse to refund that money.

I agree with the adjudicator that as a result of the delay in Vanquis dealing with this overpayment, Mr T has been inconvenienced and caused worry and distress and I consider £150 compensation is reasonable.

my final decision

I uphold this complaint and order Vanquis Bank Limited to return £340.85 to the account of Mr T's partner and to pay £150 compensation.

Charlotte Holland
ombudsman