

## **complaint**

Mr M has complained about the service he received from Vanquis Bank Limited in relation to payments to his credit card.

## **background**

Mr M has a credit card issued by Vanquis. He normally makes the payments due to Vanquis in respect of his credit card by direct debit.

Early in 2018 Mr M switched his current account to a different bank. In March 2018 he received notification from Vanquis that it hadn't been able to collect the payment due from Mr M that month because the direct debit had been cancelled. Mr M made the March payment by debit card and set up a new direct debit. But Vanquis incorrectly told him to cancel the new direct debit.

Mr M complained to Vanquis. It said the direct debit had been cancelled by Mr M's bank but it agreed that it shouldn't have told Mr M to cancel the new direct debit. It said it would credit Mr M's account with £25 compensation and refund the payment of £124.77 he'd made on his debit card.

Mr M wasn't happy with Vanquis's response to his complaint and referred it to this service.

Following the referral of Mr M's complaint to this service, Vanquis sent another letter to him in April 2018. It said the instruction to cancel the direct debit had come from Mr M's old bank but, due to a "*system issue*" it had cancelled the direct debit from Mr M's new bank. It credited £75 to Mr M's account to compensate him for this.

## **our initial conclusions**

Our adjudicator noted that Vanquis hadn't credited Mr M's account with the £25 it told him it would credit in its first response to his complaint. He also noted that Vanquis had charged two late payment fees of £12 each which hadn't been refunded. He asked Vanquis if it wanted to make an additional offer to Mr M.

Vanquis said it would credit another £75 to Mr M's account. Our adjudicator thought this was a reasonable offer and recommended Mr M should accept it.

Mr M didn't agree with our adjudicator's recommendation. He says the distress he suffered because of Vanquis's actions caused him to lose his job which resulted in severe financial problems.

## **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 think it's clear the service Mr M received from Vanquis fell below the standard he was entitled to expect and he should be compensated for the trouble and upset he suffered as a result of this. I note Mr M had health issues and the problems caused by Vanquis came at what was already a difficult time for him. But I'm not persuaded I could reasonably hold

Vanquis responsible for Mr M losing his job. I think it's unlikely the trouble and upset Mr M suffered as a result of Vanquis's failings would have had such a drastic consequence.

Vanquis has already paid Mr M a total of £199.71. If it pays him another £75 it will have refunded the two late payment charges so he won't have suffered financially. It will also have given him total compensation of just over £250. I'm satisfied this is a reasonable sum to compensate him for the trouble and upset I think Vanquis's actions would have caused.

**my final decision**

For the reasons I've given my final decision is I uphold this complaint to the extent of the compensation offered to Mr M. I require Vanquis Bank Limited to pay Mr M £75.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 14 December 2018.

Charles Bacon  
**ombudsman**