

## **complaint**

Mr K complains that Vanquis Bank Limited (Vanquis) lent to him irresponsibly. He would like the charges refunded and his credit file to be amended.

## **background**

Mr K applied for a credit card with Vanquis in August 2013. This was approved, with a limit of £150. Mr K maintained his payments until March 2014. In May 2014, he contacted Vanquis to inform them that he was having financial difficulties and was not able to maintain the payments.

Vanquis offered a settlement to the account and this was recorded on Mr K's credit file as a partial settlement.

Mr K has recently made a complaint to Vanquis about the information registered on his credit file in relation to this account. Vanquis replied to say that they believed the partial settlement registered was an accurate picture and that they would not amend this until the account is settled in full.

Unhappy with this, Mr K brought his complaint about the record on his credit file to this service. He has also said that Vanquis lent this money to him irresponsibly.

Our investigator looked at the complaint but didn't think that Vanquis had done anything wrong. He thought that Vanquis had carried out adequate affordability checks to approve the application. And he said that they dealt with Mr K positively and sympathetically in relation to his financial difficulties. He also said that he would not recommend that Vanquis remove the note on Mr K's credit file.

Mr K didn't agree with this so the complaint has been passed to an ombudsman.

## **my findings**

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

Firstly, I have looked at whether Vanquis carried out adequate affordability checks when Mr K applied for the credit card. I have seen a copy of the application and the information that Vanquis considered. It is noted that Mr K was in full time employment and had relatively low levels of debt, excluding any mortgage commitments. On this basis, a relatively low level of borrowing (£150) was approved.

I do not find this to be an unreasonable amount based on the information that was available to Vanquis at the time. It appears that Vanquis established a good understanding of Mr K's outstanding debts and commitments, as well as his credit record and approved this relatively low sum on this basis.

I have noted from the file that Mr K enters into a debt management plan later in 2013, but I have not seen anything to suggest that Vanquis was notified of this.

I am sympathetic to the circumstances that Mr K has said he found himself in and understand that this must have been a difficult time for him. So I have considered whether Vanquis treated Mr K fairly when he told them he was having financial difficulties in paying his credit card bill. I can see that he maintained his payments each month until March 2014.

In May 2014, Mr K notified Vanquis of his situation and the difficulties he was experiencing. In response, Vanquis accepted partial settlement of the account. Overall, I don't believe Vanquis has acted unfairly to Mr K in relation to his financial difficulties.

Further, I have considered Mr K's complaint in relation to the record on his credit file. Vanquis must provide accurate information to credit reference agencies so I do not think it has made an error in this regard. They have offered to amend the record if Mr K pays the full amount owed to reflect that it has been settled in full. Or alternatively, they have suggested that Mr K apply to make a note on the file to reflect the difficult circumstances he was experiencing at the time. I think this is reasonable.

### **my final decision**

For the reasons I've given, my final decision is to not uphold Mr K's complaint against Vanquis Bank Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 25 May 2017.

Camilla Finnigan  
**ombudsman**