

complaint

Mrs B complains that she was mis-sold a Repayment Option Plan by Vanquis Bank Limited.

background

In October 2010, Mrs B opened a credit card with Vanquis Bank and took out a Repayment Option Plan at the same time.

Mrs B complained about the Repayment Option Plan in September 2015 and it was cancelled. She said she had taken it out during a telephone call when she had not understood what she was being told but had been informed the plan was highly recommended. She said she was not given detailed information about the terms and conditions of the insurance either during the call or sent in any paperwork.

The adjudicator did not recommend the complaint should be upheld. She said the plan had been explained properly, both during the telephone call and in later correspondence.

Mrs B did not agree. She says she was pressured into taking the Repayment Option Plan when she did not understand it and only agreed to it because the adviser on the phone would not take no for an answer. She says she has difficulty communicating and understanding and so was not able to make an informed decision.

Whilst this complaint was being investigated, it came to light that Vanquis had made an error when calculating the first three months of Repayment Option Plan charges and failed to give Mrs B the benefit of an introductory offer to which she was entitled. In light of that the bank has offered to repay the first three month charges and give £50 compensation in relation to that mistake. Mrs B is willing to accept that offer, in relation to that first three month miscalculation mistake alone.

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 have had the opportunity of listening to the telephone call on 8 November 2010, between Mrs B and Vanquis, when the Repayment Option Plan was explained to her. As the adjudicator has explained, the Repayment Option Plan is not an advised product, so it was not for the bank to tell Mrs B if this product was appropriate for her or not. I know it will disappoint Mrs B, but I am satisfied that Mrs B was not misled or pressurised by the call handler. She was given all the information she needed to make her own choice about this optional plan. I am satisfied Mrs B was told the cost of the plan, how to cancel it if she wished, the benefits of the plan and that it was optional.

I appreciate that Mrs B says she did not understand the information she was given, however, she did not indicate that during the call. I am satisfied that she clearly stated she wished to take out the plan and I cannot see it was reasonable for the bank to have done more to ensure she had the necessary details during that call.

I am satisfied that the bank sent Mrs B the terms and conditions of the Repayment Option Plan in a welcome pack and it also sent a letter which again gave details about the Repayment Option Plan. If she hadn't understood the product then, or had had any further

questions when it appeared clearly marked on her statements, she could have contacted the bank for further details.

The terms and conditions set out how the plan worked, what benefits it provided and how and when it could be activated. I am satisfied Vanquis provided Mrs B with enough information to make an informed choice about the plan. I am not persuaded that the Repayment Option Plan was mis-sold to her.

I am satisfied that the total compensation of £101.38 in relation to the miscalculation of the first three months of Repayment Option Plan charges is fair and reasonable in all the circumstances. I do not consider it would be fair or reasonable to require Vanquis to do any more in relation to this Repayment Option Plan.

my final decision

My final decision is that I order Vanquis Bank Limited to pay Mrs B compensation of £101.38 as it has offered to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 29 February 2016.

Charlotte Holland
ombudsman