

### **complaint**

Mr J complains that Vanquis Bank Limited took too long to update his credit files following settlement of his credit card account. He says this caused him distress and inconvenience in that it took him several months to have the information corrected and meant several applications for credit were declined. He also says Vanquis has wrongly taken £1 from his account as interest, despite the account being interest-free.

### **our initial conclusions**

The adjudicator recommended that the complaint should be upheld. She agreed that Vanquis had taken too long to update Mr J's credit files, and considered that its offer of £25 compensation was too low. She recommended it should pay him £75 compensation for distress and inconvenience. Vanquis does not agree, saying it had updated the files by early July 2013 and any outstanding issues were not its fault.

### **my final decision**

To decide what is fair and reasonable in this complaint, I have considered everything that Mr J and the business have provided.

Mr J settled his credit card account with Vanquis in February 2013 but it was only in July 2013 that Vanquis properly updated his credit files to ensure that they showed this information. In the meantime, Mr J's files had displayed late payment markers, meaning that credit applications he made during this period were rejected. Mr J has also shown that he was required to take out subscriptions to all three credit reporting agencies and to repeatedly contact Vanquis to ensure the files were updated to show the correct information.

I consider Vanquis has not treated Mr J reasonably or fairly and that its offer of £25 is insufficient for the degree of distress and inconvenience he has experienced. I also consider that as Mr J has shown evidence that it wrongly retained £1 as interest on an interest-free account, it should refund this to him as well. **My final decision is that I uphold this complaint. My order is set out overleaf.**

**Under the rules of the Financial Ombudsman Service, I am required to ask Mr J either to accept or reject my decision before 6 December 2013.**

*Catherine Wolthuizen*

*ombudsman at the Financial Ombudsman Service*

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

#### **ombudsman notes**

In full and final settlement of this complaint, I order Vanquis Bank Limited to:

- Refund to Mr J £1 wrongly retained as interest;
- Pay Mr J £50 compensation (in addition to the £25 already offered) for distress and inconvenience caused by its failure to promptly update his credit records.

#### **what is a final decision?**

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

#### **what happens next?**

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.