

complaint

Miss E complains that Vanquis Bank Limited did not use its repayment option plan (ROP) to suspend payments when she lost her job. She says it would not acknowledge her payment of £500 but harassed her to pay an outstanding balance. It should refund interest and charges, she says.

our initial conclusions

The adjudicator recommended that the complaint should be upheld in part. She concluded that Vanquis should pay Miss E £100 for the distress and inconvenience caused by its poor response about her £500 payment. But the adjudicator did not conclude that Vanquis received the required documents to activate the ROP.

Vanquis disagrees with the adjudicator's opinion. It says Miss E should take some responsibility.

my final decision

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

I see that Vanquis sent Miss E an ROP form in late 2011. So on balance, I accept her statement that she had told the bank about her redundancy. Miss E says that she sent documents to Vanquis. But on balance I accept the bank's statement that it did not receive a completed ROP form.

I have seen statements of Miss E's spending and payments in early 2012. Therefore I consider it likely that she knew that the £500 had been credited. But she sought confirmation around the time the bank suspended her card later that year. The bank's final response referred to a missing £500 payment in December 2011 - and still failed to mention that it had received just such a payment. Therefore I consider that Vanquis caused Miss E unnecessary inconvenience and distress at an already difficult time for her. I conclude that £100 is fair and reasonable compensation.

For the reasons I have explained, my decision is that I uphold the complaint in part. In full and final settlement of it, I order Vanquis Bank Limited to pay Miss E £100 compensation.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss E either to accept or reject my decision before 27 September 2013.

Christopher Gilbert

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

Where the evidence is incomplete, inconclusive or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

I find it likely that Vanquis made some telephone calls which Miss E found upsetting. But I am not persuaded that Vanquis said anything inappropriate.

On balance I accept that the bank levied interest and charges in line with the terms and conditions of the account. I do not consider it fair and reasonable to order a refund. Overall, I consider that the bank's response - including sending out ROP forms - was within a range of reasonable responses, bearing in mind its regulatory obligation to treat consumers who are in financial difficulty positively and sympathetically.

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.