

## **complaint**

Miss M has complained about high interest rates charged on her credit card with Vanquis Bank Limited (Vanquis). She wants the bank to reduce the interest rate on her account.

## **background**

Miss M has a Vanquis credit card, which she's held for several years. She's recently become concerned that the balance of the account hasn't reduced as much as she expected. She discovered that most of the amount she's been paying monthly has gone on interest.

Miss M complained to Vanquis about the interest levels applied to her account in March, Vanquis sent a final response and said interest was payable as set out in the terms and conditions of the account.

As Miss M had been paying the minimum payment on the account, the balance would take longer to repay and she'd pay more in interest.

Miss M says she didn't receive the final response and referred the matter to us.

One of our investigators looked into things for Miss M and found the bank had acted in accordance with the terms and conditions of the account and didn't ask them to do anything further.

Miss M disagreed, she thinks the interest being charged is far too high, and asked for this review.

## **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 looked at the terms and conditions of this account and listened to the telephone recordings between Miss M and Vanquis.

I can understand why Miss M is frustrated when she is no longer using her credit card and sees her minimum payments to the account are not reducing the balance as quickly as she would like.

The terms and conditions of the account do explain the different tiers of interest that can be charged on this account and that reviews may reduce the interest rate, but this is not guaranteed.

Vanquis has provided evidence of regular reviews on this account and of interest rate reduction in October 2012. Although no further interest rate reductions have been applied I'm satisfied the account has been reviewed in line with the banks procedures.

The interest rates applicable to the account would've been available to Miss M when she opened the account. Vanquis has then kept her informed of the rate applicable through monthly statements. It's not for me to decide what level of interest Vanquis can charge – that's a matter a lender's entitled to decide for itself.

I appreciate Miss M will be disappointed with this outcome, but I can't fairly say that Vanquis was wrong to charge the interest rate it did.

**my final decision**

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 13 October 2017.

Wendy Steele  
**ombudsman**