

complaint

Mr M complains about a credit card debt with Vanquis Bank Limited. He says Vanquis didn't send him statements to show the spending on the account so he could settle the account or reach an agreement about repaying it. As a result, Mr M has paid additional interest on the outstanding balance.

background

The background to this complaint, and my initial conclusions, were set out in my provisional decision dated 5 November 2018 – a copy of which is attached and forms part of this final decision.

In my provisional decision I explained why I thought this complaint shouldn't be upheld. I invited both parties to send any additional evidence or comments they wished to make.

Mr M and Vanquis both confirmed they'd received the provisional decision but neither party provided any further information for me to consider.

my findings

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. As neither party has provided any further information for me to consider, I see no reason to change the conclusions I came to in my provisional decision.

my final decision

For the reasons given above, and in my provisional decision, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 10 February 2019.

Marco Manente
ombudsman

copy provisional decision dated 5 November 2018

complaint

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background

When Mr M's wife passed away he received a letter from Vanquis about an outstanding credit card debt in his name which he says he had no knowledge of. Mr M contacted Vanquis about this. After some discussion, which included Vanquis providing a recording of a call it had with Mr M during the account opening process where he confirmed the application was genuine, Mr M accepted the account was his.

Mr M accepted he had opened the account but said that the account had been solely used by his wife and he had no idea of the outstanding balance. So he says he asked Vanquis to provide copies of the statements so he could decide how best to deal with it. But he says that when he asked for copies of statements Vanquis refused as he didn't answer its security questions correctly.

Mr M referred his complaint to this service and one of our investigators looked into what'd happened. She said that Vanquis should've sent Mr M statements sooner as there wasn't any evidence that Mr M had failed Vanquis' security questions. And that had it done so; she thought Mr M would've repaid the debt when he received those statements. So she recommended that Vanquis should give Mr M a refund of interest and charges from the date of his original request for the statements. The investigator also initially asked Vanquis to agree an interest free repayment plan for Mr M to repay the debt and pay £150 in respect of how it'd handled things.

Vanquis didn't agree. It says there's no record of Mr M asking for account statements and that if he had failed security it wouldn't have been able to send him statements.

And Mr M subsequently told us that he's repaid the debt. The investigator also reduced the compensation she was recommending from £150 to £100. But as Vanquis didn't agree the case has been passed to me to make a decision.

my provisional findings

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

I'd like to start by saying how sorry I am at the circumstances under which Mr M has brought his complaint. I can understand how upsetting it must've been to have to deal with this situation shortly after Mrs M passed away.

Mr M has told us he doesn't want to pursue the circumstances of how the account was opened as part of this complaint. He's now satisfied that the card is in his name and he's liable for the spending on the account. So I've focused on whether Vanquis unfairly delayed sending out statements.

But looking at what's happened, I'm unable to agree with the recommendations the investigator made to resolve what happened. I've carefully considered everything Mr M has said but I'm not persuaded that Vanquis has made an error. I'll explain why.

Mr M hasn't told us exactly when the call was made. So I've looked at Vanquis' contact records from March 2018 onwards. But having done so, there's nothing to show Mr M called and asked for statements to be sent to him.

But I accept that Mr M most likely did contact Vanquis and I think it's possible that because Mr M failed security Vanquis didn't make a specific note when he called. But, even if I were able to find evidence to show that's what happened, that doesn't mean Vanquis made a mistake.

I wouldn't expect a business to do anything on an account if a customer failed the security verification process when they called. That includes sending statements. So I'm satisfied that if Mr M failed to answer security questions, as he's told us he did, Vanquis wouldn't have sent him account statements. And that's what I think most likely happened here. As a result, I'm satisfied Vanquis didn't unreasonably delay sending account statements to Mr M. And it follows that I don't think Vanquis is responsible for the interest accrued on the account from the date Mr M became aware of the outstanding debt to when it was repaid.

I can see that there was some confusion around whether the account had been closed or not. But this seems to stem from when Mr M initially told Vanquis he had no knowledge of the account and Vanquis was investigating the complaint as a potential fraud case. Vanquis seems to have told Mr M that if it found the account had been opened fraudulently, it would be closed and he wouldn't be held liable for the debt. But as mentioned above, Mr M subsequently accepted that he did open the account so I don't need to make a finding on this issue.

I can also see that Mr M has since asked us whether Vanquis should've agreed to give him a credit card. But I can't see that Mr M has raised this issue with Vanquis. If Mr M wishes to pursue this point he will need to raise a separate complaint with Vanquis in the first instance.

Overall, I don't think Vanquis made a mistake when dealing with Mr M and his credit card account so I don't intend asking it to take further action with this complaint now.

my provisional decision

I'll consider any further comments received by 19 November 2018. But unless anything changes my mind, for the reasons given above, my provisional decision is that I don't intend to uphold this complaint.

Marco Manente
Ombudsman