

complaint

Mrs F complains that Vanquis Bank Limited switched off her Repayment Option Plan (ROP) a month early and then failed to cancel the product as she requested. She also feels that it did not treat her fairly when she was having financial difficulties.

our initial conclusions

Our adjudicator recommended that the complaint be upheld in part. He said it seemed likely that Mrs F had asked for the ROP to be cancelled once she had benefited from the maximum 24-month repayment break. He did, however, conclude that Vanquis had closed the ROP in the right month and that it had offered assistance when Mrs F had told it about her financial difficulties. He recommended a refund of all ROP fees from May 2012 onwards, and a further £75 payment to compensate for the distress and inconvenience caused. Vanquis did not respond.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mrs F and the business have provided. Where the evidence is incomplete (as some of it is here), I have based my decision on the balance of probabilities – in other words, on what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

On balance, I am persuaded that it is most likely that Mrs F requested the cancellation of the ROP as stated. I find this as she had used the plan and looks to have understood its provisions and limitations. However, I am satisfied that the bank ended the cover correctly as the systems notes show that the ROP was switched on in May 2010. With regards to Mrs F's financial difficulties, I consider that the bank tried to assist by offering an informal payment arrangement of £15 per month. I understand that Mrs F did not receive this letter but I cannot hold the bank liable for the non-receipt. Overall, I conclude that a refund of the ROP charges from May 2012 and a payment of £75 for the distress and inconvenience to be a fair and reasonable outcome. I would urge Mrs F to now contact the debt collections agency to agree a repayment plan.

My final decision is that I uphold this complaint in part and direct Vanquis Bank Limited to make the settlement as set out in full overleaf.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs F either to accept or reject my decision before 16 July 2013.

Rebecca Connelley

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, I order Vanquis Bank Limited to:

- refund all ROP charges applied to Mrs F's account from May 2012 up to its cancellation in January 2013;
- refund any associated interest; and
- pay to Mrs F £75 compensation which she can opt to take as a cheque or as a credit to reduce her outstanding balance.

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.