

complaint

Mr S complains that Vanquis Bank Limited (Vanquis) added a Repayment Option Plan (ROP) to his account without his consent which caused the account to go over its limit and affected his credit file.

background

Mr S has a credit card account with Vanquis. He does not recall agreeing to a ROP on his account. He says Vanquis incorrectly applied charges for late payments and for exceeding the agreed limit.

Mr S says that Vanquis harassed him by phone and incorrectly reported adverse information on his credit file which he wants Vanquis to remove. He wants a refund of all ROP payments and compensation for distress and inconvenience.

Vanquis upheld Mr S's complaint as it was unable to find that a welcome letter had been sent to him. It offered to refund the £468.78 which was the total cost of the plan, including interest and charges. Vanquis also removed the plan from Mr S's account.

Vanquis did not accept that the repayment plan was the cause of late or missed payments. It did not agree to amend the credit file. It says the only calls made to Mr S were for missed payments and does not agree to a payment in of compensation for distress and inconvenience.

Our adjudicator explained that as Mr S had previously complained to this service about the interest and charges applied to his account in 2014, we couldn't look at that complaint again.

The adjudicator was of the opinion that from 2014, Vanquis had applied charges and interest correctly in line with its terms and conditions. When a payment was late or missed, Vanquis correctly reported it to Credit Reference Agencies, so the adjudicator could not ask Vanquis to remove the information as he thought it was correctly reported. As Vanquis had given Mr S a refund in October 2016 as a gesture of goodwill, our adjudicator did not think Vanquis needed to do any more.

Our adjudicator was of the opinion that the refund offered by Vanquis included any over limit charges applied as a direct result of the ROP. Having looked at the system notes of the phone calls made to Mr S, the adjudicator did not think Vanquis had harassed him.

Mr S did not agree with the adjudicator's opinion.

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 know it will disappoint Mr S but I agree with the adjudicator's opinion.

I do not need to consider whether Mr S consented to the ROP as Vanquis has upheld his complaint. As it was unable to find the welcome letter which would have set out the terms and conditions of the ROP, it refunded all of the ROP payments and also interest and charges incurred as a result. I find this to be fair and reasonable.

I have considered the charges applied to the account since 2014. I find that these were applied in line with the terms and conditions of the account and apart from those already refunded by Vanquis were not as a result of the ROP payments. I agree with the adjudicator that the late and missed payments were correctly reported and so I will not be asking Vanquis to amend Mr S's credit file.

I do not find that the calls made to Mr S were unreasonable. I have looked at the notes of calls and can see that as Mr S was not managing his account, Vanquis contacted him to discuss this. Mr S hung up on numerous calls so Vanquis were not able to assist him and I cannot criticise it for trying to contact Mr S to offer him advice.

Finally I am aware from the emails between the adjudicator and Mr S following the adjudicator's opinion, that Mr S believes that he has been mis-sold Payment Protection Insurance (PPI). I can assure Mr S that there is no PPI on Mr S's account and ROP is not a PPI product.

my final decision

I do not uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 24 April 2017.

Geraldine O'Donnell
ombudsman