

complaint

Mr F is complaining about irresponsible lending by Vanquis Bank Limited.

background

Mr F doesn't think Vanquis should have increased his credit limit. Mr F wants a refund on the interest and late payments he's incurred. He also wants arrangement markers removed from his credit file.

Vanquis didn't uphold the complaint. So the matter was referred to our service. An adjudicator has already looked at this case. She didn't uphold the complaint either and felt overall that Vanquis had acted fairly. As Mr F remains unhappy with this view, the case has now been referred to me for consideration.

my findings

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

Vanquis offered to increase Mr F's credit facility around June 2015. Notice of this proposed credit limit was sent to Mr F giving him the option to opt out. But Mr F didn't choose to do this and therefore the credit limit increase took place. I'm satisfied Vanquis gave Mr F reasonable notice to refuse this credit limit increase.

I'm also satisfied that Vanquis carried out appropriate checks prior to doing this, in light of the amount of credit being granted. According to Vanquis, in the 3 months prior to the credit limit increase happening, Mr F had made his payments on time and in fact was paying more than the minimum payments Vanquis was requesting. I can see why Vanquis felt Mr F wasn't experiencing any financial difficulties at this time. I don't think there was anything to suggest Mr F couldn't afford the credit limit increase. And so I don't think Vanquis has acted irresponsibly.

Just like the adjudicator has already explained, it appears Mr F was able to afford the credit limit increase when it happened. However it seems his personal circumstances subsequently changed, which affected his ability to meet his financial commitments. As I understand Mr F experienced a reduction in his income around early 2016.

Upon looking at all the evidence I'm unable to say that Vanquis has acted irresponsibly. I think how Vanquis has handled this case has been fair.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 18 April 2020.

Robyn McNamee
ombudsman