

complaint

Mr N complains that Vanquis Bank Limited blocked his credit card account when he made a payment taking him into credit. He's unhappy about the information Vanquis wanted him to give to it. This delayed the credit balance being paid to him.

Mr N originally wanted quite a large amount of compensation (including for a holiday he says he wasn't able to take) but has now said £100 is enough to settle his complaint.

background

There's no dispute about much of this complaint. Mr N knows he overpaid the amount due on his Vanquis credit card account. He did this because he was going to spend more money in the near future. And Vanquis has now paid him the credit balance this overpayment created. The outstanding issue is simply one of compensation.

Vanquis asked Mr N to prove the money paid into his account was his. He sent the bank the information he thought it wanted. But it wasn't exactly what Vanquis was looking for. And Mr N didn't want to give Vanquis – what he considered to be – unnecessary information as it might be used for marketing purposes. He wasn't keen on this. So Mr N didn't send Vanquis what it wanted. And this delayed him getting his money (the overpayment) back.

Our adjudicator accepted the bank was allowed to block Mr N's account until it got the information it wanted. As Mr N wasn't willing to provide this, there was stalemate. She thought Vanquis might have been more helpful in keeping in touch with Mr N. But she didn't think Mr N's expectations in terms of compensation were realistic. So she recommended Vanquis pay Mr N £100 for the inconvenience he'd suffered.

Vanquis didn't agree with the adjudicator, so Mr N's complaint has been passed to an ombudsman to make a final decision. In summary, the bank doesn't think it's fair to be penalised when Mr N didn't give it the information it'd asked for – and didn't chase the bank to find out what was happening.

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 can see both parties feel very strongly about this. Neither believes they've done anything particularly wrong. Mr N was worried about his information being used for (in his words) hard-selling of financial products. And Vanquis says the delays were with Mr N – it was only asking for information it was entitled to.

The only issue I have to decide is whether the adjudicator's recommendation of £100 compensation is the right figure.

This is quite a finely balanced case. Both parties have contributed to the problems. But – on balance – I agree with the adjudicator's recommendation. £100 is at the lower end of what we'd classify as a 'moderate' award for non-financial loss (such as inconvenience). And I think that's right – as Mr N didn't do as much as he might have done to find out what the problems were (at Vanquis' end). But Vanquis could have done more as well. It could have kept Mr N better informed about what was going on.

There's no doubt Mr N suffered some inconvenience as a result of the delays at – and limited information from – Vanquis. I have some sympathy for the bank's position but think a modest award of £100 is appropriate.

my final decision

For the reasons I've given, my final decision is that Vanquis Bank Limited should pay Mr N £100 compensation for the inconvenience he suffered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 4 September 2015.

Andrew Davies
ombudsman