

complaint

Mr T complains that Vanquis Bank Limited wrongly added a Repayment Option Plan (“ROP”) to his card account.

our initial conclusions

The adjudicator did not recommend that the complaint should be upheld. He concluded that, Vanquis would have explained the ROP to him in a phone call following his application, and that it was optional. As the plan fee had appeared on Mr T’s statements since 2007, he would also have expected Mr T to query the fee earlier. Mr T disagreed, and responded to say, in summary, that he had not received a phone call after his card application in 2007, so the ROP could not have been sold to him. He also did not consider that the plan fee was sufficiently prominent on his statement.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mr T and Vanquis have provided.

I am satisfied that the ROP is not an insurance policy. I have seen a copy of the sales script which Vanquis would have used to sell the ROP to Mr T, and I am also satisfied that it would have told him that it was an optional service. I also consider that as the sale was in 2007, on balance, it was likely that Mr T had agreed to take the ROP out, but that he has since lost his recall of the conversation. Mr T also said that he did not consider that the fees were shown sufficiently prominently on his statements. I have seen copies of Mr T’s monthly statements and I am satisfied that the ROP fee appears clearly in the transactions section of each statement where I would have expected to see it. Mr T also said that Vanquis had not responded to his complaint. Whilst, the bank said that it had sent him a resolution letter in November 2012, I consider that it would have been apparent from Mr T’s subsequent letters that he had not received it. If he had received it, I consider that he would have cancelled the ROP in September 2012 in line with Vanquis’ process.

So, whilst, I do not consider that Vanquis should refund most of the ROP fees, I do find that it should refund all the ROP fees paid since September 2012 when Mr T first complained, and that it should pay Mr T £50 compensation for his time and trouble caused by its poor complaint handling.

My decision is that I uphold this complaint in part as set out in more detail overleaf.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr T either to accept or reject my decision before 6 August 2013.

Roslyn Rawson

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 of this complaint, I order Vanquis Bank Limited to pay (not credit) to Mr T £50 compensation.

Where the evidence is incomplete, inconclusive, or contradictory (as some of it is here), I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

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.