

complaint

Mr T complains that Vanquis Bank Limited agreed to accept payments of £30 a month towards a credit card debt but failed to set the arrangement up. As a result, he's had to pay interest and charges and his credit file's been affected.

background

The background to this complaint, and my initial conclusions, were set out in my provisional decision dated 13 November 2018 – a copy of which is attached and forms part of this final decision.

In my provisional decision I explained why I thought this complaint shouldn't be upheld. I invited both parties to send any additional evidence or comments they wished to make.

Mr T responded to confirm he disagreed but didn't provide any further comments or information for me to consider. Vanquis hasn't responded.

my findings

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. While Mr T has confirmed he disagrees, neither party to the complaint has provided any new information or comments for me to consider. As a result, I see no reason to change the conclusions I came to in my provisional decision.

my final decision

For the reasons I've given above and in my provisional decision, my decision is that I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 11 February 2019.

Marco Manente
Ombudsman

Copy provision decision of 13 November 2018

Complaint

Mr T complains that Vanquis Bank Limited agreed to accept payments of £30 a month towards a credit card debt but failed to set the arrangement up. As a result, he's had to pay interest and charges and his credit file's been affected.

Background

Mr T has a credit card with Vanquis which was in arrears. He'd previously agreed payment arrangements and says that in July 2017 he talked to Vanquis about the credit card. As a result, Mr T says a payment arrangement for £30 a month was agreed to start on 23 August 2017.

But before that date Vanquis contacted Mr T about his account. It didn't have a record of a payment arrangement being agreed so wanted to discuss options with Mr T. He responded but said that as he'd already agreed an arrangement he wasn't willing to continue discussing the debt. Mr T went on to start payments of £30 a month but Vanquis continued to contact him about his debt so he complained.

Vanquis responded and said it had no record of a £30 payment arrangement so it didn't agree there had been an error. Mr T referred his complaint to this service and it was passed to an adjudicator to look at. The adjudicator accepted there isn't any evidence to show Mr T agreed a £30 payment with Vanquis. But they felt that, on balance, it's likely he had spoken with someone and agreed that arrangement.

The adjudicator recommended Vanquis refund interest and charges and amend Mr T's credit file to reflect the arrangement and pay £150 for the trouble and upset caused. But Vanquis didn't agree. So the complaint's been passed to me to make a decision.

my provisional findings

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

When the adjudicator looked at the complaint they accepted that there's nothing to directly show Mr T agreed a payment arrangement. But they felt, from what he'd said and the information Vanquis was able to supply, it was more likely than not that an arrangement had been reached. But I'm not persuaded that's the case here.

I've carefully looked at the timeline of this complaint and reviewed all of Vanquis' records of contact with Mr T (including phone notes, call recordings, text messages and emails). There was clearly a lot of contact between Mr T and Vanquis around the relevant times here. But I've not found anything that shows a £30 payment arrangement was agreed in the run up to August 2017's payment.

Vanquis told this service that it would normally set up a payment arrangement by looking at a customer's income and outgoings to assess what's affordable. But it's also said an arrangement for a reasonable payment can be agreed without this process. However, in either case, I'd expect to see something that important reflected in the records Vanquis keeps.

So in this case, I need to decide if Vanquis simply failed to update its records or whether no arrangement existed. Where information about a complaint is incomplete we base our findings on the balance of probabilities. That is, what I consider more likely than not to have happened, taking into account the available information and what everyone's said.

And, on balance, I'm not persuaded a payment arrangement was made in this case. I note what Mr T says happened. But Vanquis' records are detailed and show where previous arrangements were made, along with showing the contact between it and Mr T. So I think it's more likely than not that such an arrangement would've been noted by Vanquis, in the same way previous arrangements were recorded. Having considered all the available information, I'm not persuaded an arrangement was agreed.

On 21 July 2017, Mr T sent an email to Vanquis asking it to set up a direct debit for £30 a month. Vanquis responded to this the next day, telling Mr T what he'd need to do to get this set up. I can't see that Vanquis agreed to this as a payment arrangement and there's no record of Mr T following this up either.

After this, the records show that Vanquis then contacted Mr T about making a payment. At

this point, I'm satisfied it was clear to Mr T that there was no agreement with Vanquis to pay £30, regardless of what'd happened before.

And while I can see from his messages Mr T was unhappy when contacted about the arrears on his account, Vanquis has been consistent in asking him to discuss options for dealing with the debt. I've not seen anything to indicate Vanquis wouldn't have been willing to look at options, as it had previously done, if Mr T had agreed to discuss the situation further.

As there was no arrangement in place Vanquis continued to apply interest and charges in line with the terms and conditions of the account. So as I've not found any evidence of a payment arrangement, I'm satisfied they've been applied correctly.

my provisional decision

For the reasons given above, my provisional decision is that I don't uphold this complaint. Mr T and Vanquis Bank Limited have until 13 December 2018 to send me anything further they'd like me to consider before I make a final decision.

Marco Manente
Ombudsman