

complaint

Mr M complains that Vanquis Bank Limited's Repayment Option Plan (ROP) does not meet his monthly payments and, at the end of the two year activation period, he will still have the full outstanding balance to repay. He also objects to having to re-apply for the plan every three months when his circumstances will not change.

our initial conclusions

The adjudicator did not recommend that the complaint should be upheld. He concluded that the bank had not acted wrongly in the administration of the plan.

Mr M responded to say, in summary, that the plan does not reduce the outstanding balance so he is at a disadvantage now he is long-term disabled.

my final decision

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

The ROP is not an insurance product. The terms and conditions which Mr M agreed to when he opened his credit card make it clear that the ROP "*allows you to freeze your account balance for up to 24 months*". There is nothing in the terms to suggest activation of the plan would result in repayments being made for Mr M.

I fully understand his frustration at having to provide information every three months to reactivate the plan when he knows his situation will not change. But Vanquis needs to satisfy itself that Mr M's circumstances have not changed and I do not consider its request unreasonable in the circumstances.

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr M either to accept or reject my decision before 11 July 2013.

Elizabeth Dawes

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

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.