

complaint

Mr P complained because Vanquis Bank Limited increased the minimum monthly payment on his credit card.

He also complained about texts which Vanquis sent, and the fact that he couldn't speak to someone as senior as he wanted.

Mr P wants an apology for the way Vanquis do things; all fees removed; and he wants to go back to his original monthly minimum payment amount.

background

On 18 June 2018, Vanquis sent Mr P a letter headed "*Changes to your Vanquis Bank Credit Card Agreement*." The letter said that from 17 July 2018, Vanquis was increasing the minimum amount that Mr P needed to repay each month. The letter said "*this means your balance should reduce quicker and you'll pay less interest overall*." The notes on page 2 of the letter explained how the new minimum payment would be calculated.

The terms and conditions, which Mr P signed up to when he opened his account, set out what power Vanquis had to change anything in the agreement. These said:
"We may change these Terms and Conditions or introduce any other related term to this agreement by providing you with at least 30 days' written notice before any change takes effect. You may close your account without having to pay any extra charges or extra interest at any time up to 60 days from the date of our notice if the change is to your disadvantage."

Mr P was angry about the changes. On 23 August he rang Vanquis and said it was putting him into financial difficulties. He said he was being charged astronomic amounts. He wanted a manager to ring him. The adviser told Mr P that at his previous minimum it would have taken 25 years to repay the total amount Mr P owed.

Later, Mr P also complained about texts he received from Vanquis.

In its reply, Vanquis partly upheld Mr P's complaint:

- It agreed that a text sent on 27 August, which had said "*Hi there! Could you let me know the reason for the missed payment?*" had been unprofessional. It paid Mr P £60 compensation for this.
- But Vanquis didn't agree to change Mr P's minimum payment back to what it had been before the change to the terms and conditions.

Vanquis told Mr P that it hadn't intended to cause Mr P inconvenience with the change. The purpose was to help repay the card balance faster – and it affected all customers with an active Vanquis account. Vanquis repeated the options which Mr P had:

- Mr P could refuse the increased minimum payment, and the account would be blocked so he couldn't spend on it. Once he'd paid off the balance, the account would be closed; or
- Mr P could be put on a payment arrangement – the letter gave more details of this option; or
- if Mr P wanted to pay off the total balance and close his account, he might be eligible for a rate reduction, but this wasn't guaranteed and depended on eligibility.

Vanquis' letter also noted Mr P's arrears, and asked him to contact its financial difficulties team.

Mr P wasn't satisfied and complained to this service. He said Vanquis had upheld his complaint about the text, so it knew it was unacceptable. Mr P said that because of the change, he couldn't meet his monthly payment. So that contradicted what Vanquis had said about the change meaning that he'd pay off what he owed more quickly. Mr P said it destroyed his financial situation and his trust in the company.

Mr P also said that:

- text messages since Vanquis' final response letter didn't say they were from Vanquis, but asked for personal details, and this was a breach of the General Data Protection Regulations (GDPR);
- the texts had been rude;
- he hadn't had a promised call back from a senior manager in January 2019.

The adjudicator didn't uphold Mr P's complaint. He said Vanquis had given Mr P the notice it had to. He explained that a business's commercial decision was up to the business to decide, and this service doesn't generally interfere. So he said he wouldn't ask Vanquis to change its minimum payment requirements.

In response to Mr P's further points, the adjudicator said that it's the Information Commissioner's Office (ICO) which decides whether GDPR has been breached. He looked at the texts sent by Vanquis from September 2017 to March 2018. He said these were informal, but not inappropriate. He looked into the call back issue. Vanquis had apologised and said it would pay Mr P £25 for this. The cheque hadn't arrived, so Vanquis had paid Mr P £50 instead. The adjudicator considered this was fair.

Mr P wasn't satisfied. He said he wanted to appeal the adjudicator's findings. He said Vanquis' complaints department were useless, and he was totally disgusted by the whole thing.

my findings

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

Minimum monthly payment

I've looked into whether Vanquis had the power to increase Mr P's minimum monthly payment. I've set out above the terms and conditions of Mr P's account, which say that Vanquis had to give Mr P 30 days' notice of a change. Vanquis did that. So Vanquis acted in line with its powers when it increased the minimum monthly payment.

I also note that Vanquis told Mr P that it had introduced this change for all its customers with active Vanquis accounts.

So I don't require Vanquis to change Mr P's minimum monthly payment back to what it was.

I recognise that Mr P said he found the new minimum payment unaffordable. Vanquis gave Mr P some options, which I've set out above. I've listened to phone calls, and it's clear that

Mr P was very angry during these. But Vanquis' letters did give Mr P contact details for its financial difficulties team, if he wished to get in touch about options.

Text messages and phone calls

I agree that the text sent on 27 August 2018 was unprofessional, and I can see why Mr P was annoyed by it. I've considered whether £60 was fair compensation for this one text, and I consider that it was.

I've gone on to look at the text messages from September 2018 to March 2019. It's clear that Mr P didn't want to discuss his account by text. He asked for phone calls. A call was arranged which didn't happen, and as I've set out above, Vanquis paid Mr P £50 for missing a call and not sending the promised cheque promptly. I find that this was fair.

I can also see that the texts asked Mr P for his date of birth, which he didn't want to provide by text. The situation rapidly escalated, and the text records show that Mr P was extremely angry. By early 2019 he was insisting that a Vanquis director should ring him, or he'd take Vanquis to court.

As the adjudicator explained, it's the Information Commissioner's Office (ICO), not this service, which can make a decision about whether or not Vanquis breached GDPR by asking Mr P for his date of birth by text.

I have, however, looked at the content of the texts to assess whether or not Vanquis' texts were rude. I don't consider that they were, and I find that Vanquis does not have to pay Mr P any extra compensation.

my final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 9 February 2020.

Belinda Knight
ombudsman