

complaint

Mr Z complains about charges incurred on his credit card account with Vanquis Bank Limited. He says he had expected a Repayment Option Plan (ROP) on his account to be cancelled after three months but because that did not happen he went over his limit, incurring further charges.

our initial conclusions

The adjudicator considered that an offer, made by Vanquis following our intervention, to refund some charges was fair and reasonable. Mr Z disagreed. He said that he had only gone over his limit because Vanquis had not cancelled the ROP when he expected.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mr Z and the business have provided.

Vanquis had said it would contact Mr Z when a period of reduced ROP charges was to end. He then intended to cancel the ROP. Because Vanquis cannot find any record that it did that, it has now agreed to refund to Mr Z a total of £48.10 to cover ROP charges he paid and interest on those. Vanquis has not agreed to refund other charges (eg £12 a month over limit charges) Mr Z also incurred in subsequent months.

However, even without the unexpected ROP charges Mr Z's account would still have gone over its limit by December 2011, because of his spending and associated cash advance fees in November. His subsequent statements did make it clear that he then needed to pay more than the minimum payment (being taken by direct debit) in order to put his account back in order. That did not happen and his account went further and further over its limit. But when that would have happened because of Mr Z's spending in November, even without the ROP charges, I cannot expect Vanquis to do more. I consider its offer is fair and reasonable.

My final decision is that I uphold this complaint in part. In full and final settlement, I order Vanquis Bank Limited to refund to Mr Z £48.10, if it has not already done so.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr Z either to accept or reject my decision before 18 June 2013.

Hilary Bainbridge

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.