

complaint

Mrs C complains that Vanquis Bank Limited continued to take monthly payments by direct debit regardless of the standing order she later set up to pay her credit card balance. She also complains that the direct debits were continued even when the minimum monthly payment on the account had already been paid.

our initial conclusions

Our adjudicator concluded that the bank had acted in accordance with Mrs C's instructions to take monthly payments by direct debit. Mrs C had never given the bank any notice to cancel the direct debit, so the bank had acted properly. Mrs C disagreed. She said she had telephoned the bank to ask it what should happen when she had both a direct debit and standing order in place. It told her that she had to keep the direct debit instruction. Mrs C is unhappy that payments were taken even when her on-line account statements indicated that the minimum payment due was nil. She believes the bank is in breach of the direct debit guarantee.

my final decision

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

I am satisfied that the bank acted in accordance with its terms in continuing to take monthly direct debits because that was what Mrs C had instructed it to do. The standing order payments were stated to be additional payments. Furthermore the bank responded appropriately to Mrs C's complaint, by stating that it was sorry if Mrs C had not appreciated that the direct debit payment would continue, regardless of other payments.

The direct debit guarantee only applies if the bank makes an error in the payment of a direct debit. I reach the same conclusion as our adjudicator, which is that the bank has not breached the scheme, and is not required to refund any money to Mrs C.

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs C either to accept or reject my decision before 23 June 2014.

Janine Allen

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.