

complaint

Mr N complains Vanquis Bank Limited restricted the use of his credit card after her tried to make a payment in May 2018.

background

Mr N has a Vanquis credit card. In May 2018 he tried to make a payment of £450 but Vanquis wasn't able to verify the card details provided. The payment was held for further checks and a restriction, stopping Mr N using his card to make payments, was placed on the account.

Vanquis told Mr N he needed to send a photocopy of the front and back of his debit card to remove the restriction but he wasn't willing to do that. Vanquis later told Mr N he could get a signed and stamped letter from his bank confirming the debit card used to make the payments was his.

Mr N's £450 payment cleared into the account and he went on to make a further payment of £1,000 in May 2018 using the same debit card. Since this time, Mr N has continued to make payments to his Vanquis card via his debit card.

Mr N complained to Vanquis and asked it to stop charging interest while the restriction remained in place. Vanquis responded but didn't agree an error had been made and explained the restriction would remain until Mr N provided the information requested. Vanquis didn't agree to stop charging interest.

The complaint was referred to this service and an investigator looked at what'd happened. He didn't feel Vanquis had made an error by applying the restriction to Mr N's account and thought it'd given him a reasonable alternative to supplying a photocopy of his debit card. Mr N didn't agree with the investigator so the complaint's been passed to me to make a decision.

my findings

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

Looking at what's happened, there are three main issues. The first is whether Vanquis acted fairly by placing a restriction on Mr N's account. The second is whether the information it's asked him to provide is reasonable. And the third is whether Vanquis is entitled to continue charging interest while the restriction remains in place. I'll deal with each in turn.

Vanquis has said that it applied the account restriction when a payment Mr N made via his debit card was held for further checks. I can see the investigator's set out the specific section of the terms and conditions that shows Vanquis can take that step so I won't repeat it here. But I'm satisfied the terms allow Vanquis to restrict the use of a card if it's concerned about the security of the account. Whilst I appreciate it's been inconvenient for Mr N, I haven't found Vanquis has made an error by applying the restriction.

Vanquis asked Mr N to provide a photocopy of his debit card with some information blanked out in order to remove the restriction. Mr N says he's spoken with his bank and been advised

not to send that as the information is sensitive. Vanquis went on to tell Mr N that he could provide a signed and stamped letter from his bank confirming the card is his. I know that requires Mr N to visit a branch but I've not found Vanquis' request to be unreasonably inconvenient. I think Vanquis tried to provide a reasonable workaround for Mr N to have the restriction removed.

When Mr N complained he asked for interest to stop being charged while the account restrictions remain in place. But Vanquis says the interest is charged in line with the account terms so it hasn't agreed. I'm sorry to disappoint Mr N but I've not seen anything to show the interest has been unfairly applied in this case. I know the restriction has remained in place for some time but I don't doubt that it'll be removed once Mr N provides what Vanquis has asked for. And, as I've said above, I've not found Vanquis made an error by applying the restriction. It follows that as I've not seen any evidence of a mistake by Vanquis, I don't have grounds to tell it to refund interest Mr N's paid.

In his complaint to us Mr N's said he's had trouble making payments to Vanquis but I can see he's made several debit card transactions since the restriction was applied to his card. Vanquis has confirmed there's nothing stopping Mr N making payments to his card, which is shown by the fact it's accepted them from him.

As I've not found Vanquis made an error when it restricted Mr N's card or asked for unreasonable information from him to release the restriction, I'm not telling it to take any further action here.

my final 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 N to accept or reject my decision before 17 January 2019.

Marco Manente
ombudsman