

## **The complaint**

Mr V has complained that Vanquis Bank Limited trading as Vanquis Bank has acted unfairly by registering the fact he's on a repayment arrangement on his credit file.

## **Background**

Mr V took out a £2,500 loan with Vanquis Bank in June 2022. In September 2022 Mr V entered a debt management plan (DMP) with a charity. Vanquish was notified of this as Mr V was no longer able to make full monthly repayments and proposed repaying £16.87 per month instead. Vanquish accepted this plan and started to add markers to Mr V's credit file indicating the loan had gone into an arranged payment plan.

In December 2022 Mr V complained to Vanquis that the loan was unaffordable, and it shouldn't have given it to him. Vanquis responded to Mr V's complaint in February 2023 upholding it and agreed to remove all the interest and charges that had been added to it. This meant that Mr V only had to repay the outstanding capital amount he borrowed, which at that time was £2,145.51.

Mr V accepted this outcome and agreed to continue making repayments as per the DMP. However, he asked that Vanquish stop recording the fact that he was in arrears and under an arrangement on his credit file and instead record the loan as up to date.

Vanquish explained that it would continue to note Mr V was in arrears on his credit file until such a time as the balance was cleared. Once that was done it would remove all markers from his credit file.

Mr V was unhappy with this response and brought his complaint to our service. One of our investigators looked into Mr V's complaint already. She found that Vanquish wasn't being unreasonable by recording the fact Mr V was in arrears on his credit file as this was a true reflection of how the loan was being managed. So, she didn't uphold the complaint.

Mr V remained unhappy with the outcome and asked for an ombudsman to review his complaint and so it's been passed to me for consideration.

## **My findings**

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

Having done so I agree with the outcome reached by our investigator and won't be asking Vanquish to change how it's reporting Mr V's repayments on his credit file. I know this will come as a disappointment to Mr V and so I'd like to explain why I've reached the outcome I have.

Mr V has said that other credit providers who he has also entered arrangements with, aren't recording information on his credit file in this way and there are no arrears markers showing for any other loans that are included in his DMP.

I can't comment on that as I don't know anything about the other credit providers included in the DMP or what arrangements they've come to with Mr V.

But I can say that it's not unreasonable for Vanquish to record the fact that Mr V is in an arrangement plan and in arrears with his repayments on the loan he has with it. This is because it's a true reflection of what has happened. And it wouldn't be appropriate for me to ask Vanquish to mask the fact that Mr V hasn't maintained the loan as he had agreed to when he took it out in June 2022.

Once the outstanding balance has been repaid in full Vanquish will remove the late payment markers. This is in line with what this service would ask a business to do and what it is obliged to do under the relevant regulations.

Therefore, I can't say Vanquish has been unreasonable in how it's responded to Mr V's complaint, and I can't uphold it.

### **My final decision**

For the reasons set out above I don't uphold Mr V's complaint against Vanquish Bank Limited trading as Vanquish Bank.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 13 October 2023.

Karen Hanlon  
**Ombudsman**