

complaint

Mr L complains that Vanquis Bank Limited reduced his credit card limit and provided poor customer service.

background

In November 2016 Vanquis wrote to Mr L and advised him that they would be increasing his credit limit by £500. But when Mr L missed his minimum payment that month the bank didn't increase his limit but reduced it by £800.

Mr L was disappointed with this. He said he had a valid reason why he'd missed his payment and that he'd previously managed his account well. He was confused about the bank's change of direction on his credit limit and he complained to them. But Mr L said that, when he did complain, the bank didn't get back to him as they'd promised and that when he did speak to an advisor the advisor was aggressive and unprofessional.

The bank said that, as no payment was received in November, the proposed increase wasn't applied. They said that a review of Mr L's credit limit then took place and as a result of changes in Mr L's credit score and his missed payment, they decided to reduce it. They thought they'd followed the correct procedure and they didn't feel they'd done anything wrong.

The bank also reviewed Mr L's comments about the poor service he said he'd received. They listened to the calls he'd had with their advisor but didn't agree that the advisor had been aggressive or unprofessional.

Our adjudicator provided his view in March this year. He thought the bank had followed the correct procedure when adjusting Mr L's credit limits and, when he listened to the calls, he agreed with the bank that their representative hadn't been unprofessional.

But Mr L disagreed and he asked for this review.

my findings

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

I can see that this must have been a frustrating time for Mr L and I know it will disappoint him but I agree with the adjudicator's view on this complaint.

There are several issues for me to consider so I'll set them out below:

were the bank right not to apply the credit limit increase?

When the bank wrote to Mr L to tell him about the proposed credit limit increase they said:

"Important: You must keep within your current Credit Limit until you have had confirmation that your Credit Limit has been increased. Should you...fail to make your monthly payments on time we will be unable to grant you this Credit Limit increase."

They therefore made it clear that if a monthly payment wasn't made on time they would not grant the credit limit increase so I think the bank did nothing wrong here.

were they right to reduce the credit limit?

The bank has explained that the reduction was applied because of the missed payment and because of changes to Mr L's credit score. Their terms and conditions allow them to do this. They state:

3.1 "...we may increase or decrease your credit limit from time to time and will notify you of any such change."

So the bank was entitled to reduce the credit limit on Mr L's account and they told him what the new limit was so I don't think they acted unfairly.

was the customer service acceptable?

I've listened to the calls between Mr L and the bank's advisors. Mr L's frustration is obvious during these calls but I don't think that the advisors were unprofessional or aggressive. They didn't get back to him by phone when they said they would, but I note that the advisor did escalate Mr L's claim and it was dealt with within the time frame I'd expect.

Overall I agree with the adjudicator's view that the bank has done nothing wrong here and I therefore won't be telling them to take any further action

my final decision

For the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 16 June 2017.

Phil McMahon
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