

complaint

Mr L complains that Vanquis Bank Limited deliberately put him over his agreed credit limit in order to create extra charges and damage his credit. He would like the bank to refund all the charges he's paid.

background

Our adjudicator didn't uphold Mr L's complaint. After investigating Mr L's account history, our adjudicator felt that the bank hadn't applied any charges or interest incorrectly or unfairly.

And there wasn't any information to show that Vanquis had deliberately managed Mr L's account so that it could charge him extra. So the adjudicator didn't feel it was appropriate to recommend any reimbursement.

Mr L disagrees, so the complaint has been referred to me.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I understand that Mr L feels strongly that Vanquis should refund charges that he considers are 'illegal'. And I can see that bank charges make it more difficult for him to budget effectively.

Our adjudicator has explained that it has been decided in court that it is generally not possible to challenge bank charges as being unfair or too high. And as far as I can see, it appears that charges have been applied to Mr L's account in accordance with the account's terms and conditions. So, I do not find that Vanquis has made any errors in applying the charges to Mr L's account.

The bank must still treat fairly any customer who has financial problems. But this does not mean that it must refund all bank charges. Or that it can't continue to impose charges in line with the account's terms and conditions if Mr L exceeds the credit limit on the account so that his cheques bounce, or he makes late payments on the account.

So, I agree with our adjudicator and, looked at overall, I don't feel I can fairly and reasonably direct Vanquis to refund the charges applied to Mr L's account.

my final decision

For these reasons, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr L to accept or reject my decision before 20 February 2015.

Susan Webb
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