

## **complaint**

Mr G has complained that Vanquis Bank Limited increased his credit limit without his authority, resulting in him overspending and incurring fees and charges.

## **background**

Vanquis wrote to Mr G to say it would be increasing his credit limit from £250 to £500. It asked him to contact it within 30 days if he didn't want the increase. Although he wrote to it after around 24 days, by the time it processed his letter, the increase had already taken effect. Mr G has explained that this led him to overspend inadvertently, and his balance reached £542.64. Fees and charges were also incurred. Further, the limit wasn't then reset to the original £250.

Our adjudicator didn't recommend that the complaint should be upheld. Although she thought Vanquis could have handled matters better – and that Mr G hadn't agreed to the increase – she thought it had acted reasonably in refunding two charges.

As Mr G disagreed, his complaint's been passed to me for my final 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.

I can see that Mr G did write to Vanquis within the 30 days, so it's disappointing that the limit was still increased. But Vanquis refunded two charges in recognition of this, and I think that was fair. But at that point, it didn't put the limit back down to £250. This was because Mr G had already spent over this amount, so to have decreased it would have meant it was putting him over his credit limit. So I don't think it acted unfairly in not doing so.

At one point, Mr G had spent £542.64, which is over double his original credit limit. I feel he should have been reasonably aware that he was spending so significantly over the £250 limit he wanted, so could have taken steps to ensure he kept within the lower limit. As he did use the extended facility, I don't think it would be fair for me to tell Vanquis to refund all of the fees and charges this incurred.

I also note that two of the charges were unrelated to the increased limit, and were in connection with a returned direct debit.

## **my final decision**

For the reasons given above, it's my final decision not to uphold this complaint. I make no award against Vanquis Bank Limited.

Under the rules of the Financial Ombudsman Service, I'm required to Mr G to accept or reject my decision before 11 April 2016.

Elspeth Wood  
**ombudsman**