

complaint

Mr T complains that Vanquis Bank Limited reduced his credit card limit without notice to him and blocked his card whilst he was abroad. He wants a refund of bank charges.

our initial conclusions

Our adjudicator did not recommend that Mr T's complaint should be upheld. He concluded that: Vanquis was entitled to decrease Mr T's credit limit; charges had been applied in line with the terms and conditions of the account; and that the information from Vanquis showed it had not put a block on Mr T's card when he was abroad. Mr T disagreed.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mr T and the business have provided. Having done so, I come to much the same conclusions as the adjudicator.

Mr T was informed by Vanquis by letter of 13 May 2013 that it would increase his overdraft limit from £500 to £1,500. But the letter also said 'Should you go over this limit or fail to make your monthly payments on time, we will be unable to grant you this Credit Limit increase'. Mr T's June 2013 statement shows that he did not make his minimum payment in May 2013. On 13 June 2013 Vanquis wrote to him advising that the limit had decreased to £450. The terms and conditions of Mr T's account entitle Vanquis to increase/decrease the credit limit (should it reasonably consider it appropriate) and notify the customer of the change. I find that Vanquis was entitled to reduce his credit limit in the way it did. Vanquis also applied charges in line with the terms and conditions. I find that Vanquis acted reasonably in the steps it took when Mr T attempted to withdraw cash abroad. Its notes show that it sent Mr T a text to check the withdrawals were legitimate. When it did not receive a response it did not allow the withdrawals to proceed. I do not consider this to be unreasonable.

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr T either to accept or reject my decision before 27 February 2015.

Janine Allen

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.