

summary of complaint

Mr C complains that AIB Group (UK) Plc ("AIB Group") removed the authorised overdraft limit from his current account, forcing him to take out a loan with it to replace the overdraft. He is also dissatisfied that the closure of his local branch has impacted on his ability to manage his finances. He considers AIB Group has not provided the level of customer service it should have done and in particular it has not replied correctly to his requests for information.

our initial conclusions

Our adjudicator did not recommend that the complaint should be upheld. However, he said that AIB Group's offer to refund £200 in fees was fair. Mr C did not agree with the adjudicator's recommendations. He said that AIB Group has failed to answer his questions and he cited its failure to comply with various laws.

Mr C said, in summary, that he would be prepared to settle the debt provided AIB Group returns its original note to prove that his debt has not been sold to another financial business. He believes that the government bail out of the bank meant that all its debts had been cleared which would not have been possible without selling its debts onward.

Therefore, the complaint has been passed to me for review.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Where necessary and/or appropriate, I reach my decision on the balance of probabilities - in other words, what I consider is most likely to have happened in the light of the evidence that is available and the wider surrounding circumstances.

it is for me to decide which questions I should ask AIB Group

I think it would be appropriate to explain here that we offer an informal dispute resolution service. Our process is less onerous than the courts and we only ask both parties to supply that information which we consider to be relevant. It is for me to decide what questions I need to ask. I realise this may disappoint Mr C as he has asked us to ask AIB Group very specific questions. I appreciate that he considers the answers to his questions are vital and he is entitled to them but I disagree. I have focused on the areas I consider to be pertinent to this complaint although I recognise that Mr C is unlikely to see it this way.

it was a commercial decision to withdraw the overdraft and Mr C agreed to the loan - AIB Group has done nothing wrong

In this case AIB Group decided not to renew Mr C's overdraft facility and I am satisfied that it was entitled to do so using its own commercial judgment. Overdraft facilities are generally of a temporary nature and the terms of the account would usually allow the bank to withdraw it either at the renewal or even with short notice – as is the case here.

I can see that AIB Group gave Mr C an option to replace the overdraft with a loan and he appears to have accepted it voluntarily. In doing so, he accepted the terms on which the loan was offered. I cannot see that AIB Group acted unreasonably in offering the loan.

Mr C does not appear to dispute that he is liable to repay the money but he has raised a number of questions for AIB Group to respond to. They range from the validation and verification of the debt to breaches of various laws. Mr C also raises questions about the bank's ability to recover money from him when it had been bailed out by the government. As far as I can see, AIB Group has already provided the information relating to the debt. It is not fair and reasonable to require AIB Group to provide any further information. I cannot see that it would be relevant to my consideration of the complaint in any event. If, however, Mr C believes that AIB Group may not be able to legally enforce the debt then he may wish to refer this matter to the courts as only the courts can decide on this point.

For these reasons, I am satisfied that AIB Group lent Mr C money and it is reasonably entitled to recover it from him.

the level customer service Mr C has received from AIB Group was adequate

I recognise that Mr C was dissatisfied with the closure of his local branch. But this was a commercial decision that AIB Group was entitled to make. Further, it appears that AIB Group has provided adequate customer service, its records show it responded clearly to his sometimes complex questions.

That said it has offered Mr C £200 to settle the complaint. I consider that this is a fair offer and I do not, therefore, consider it appropriate to require it to do any more than that.

my final decision

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

Joyce Gordon
ombudsman