

## **complaint**

Mr N complains that Vanquis Bank Limited increased the credit limit on his credit card account without his consent. And he's unhappy about the amount he's being asked to repay before the account can be closed.

## **background**

Mr N opened a credit card account with Vanquis in 2014. The credit limit was initially £500. Mr N made full use of the credit limit. And a few months after he opened the account, Vanquis increased it to £1,000. From early 2015 Mr N's outstanding balance gradually increased. And by August 2015, it had exceeded the £1,000 credit limit.

Mr N says he only ever asked for a credit limit of £250. He says Vanquis set a credit limit of £500 and then increased it to £1,000 without his permission. He says he's struggling to meet his day-to-day living expenses and hasn't used the card since February 2015. He'd like Vanquis to write off the balance on the account and close it.

Our adjudicator didn't think we could uphold the complaint. He said, in summary, that Mr N had made full use of the credit limits, without questioning or complaining about them.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I've reached the same conclusion as the adjudicator.

Vanquis sent monthly statements to Mr N. The first statement showed his credit limit as £500. If Mr N wasn't happy with this, I'd have expected him to question it. But he didn't do so. And he made full use of the limit. By the date of his first monthly statement, he'd exceeded the £500 limit slightly. So I think it unlikely that Mr N thought his credit limit was £250.

Over the following few months, Mr N's credit card balance stayed very close to the £500 limit until Vanquis increased the limit to £1,000. Again, I'm not convinced that Mr N was unaware of the increase. I acknowledge that he says he didn't apply for it. But it's common practice for credit card issuers to increase the credit limit on credit cards. And I don't find that Vanquis was at fault in doing so. I'm satisfied that it told Mr N about the increase. And he could have told Vanquis if he didn't want to accept it. Instead, he again made use of it.

I can see that Mr N stopped using the card after April 2015, but by then, his balance was approaching the £1,000 limit. Although he made payments to the account, they weren't enough to clear the outstanding balance. And Vanquis applied interest and charges to the account, as it was entitled to do. Mr N benefited from the money he spent using the card.

I'm sorry to disappoint Mr N, but in the circumstances, I don't consider that I can reasonably require Vanquis to write off the balance on his account or to take any other action.

**my final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 18 February 2016.

Juliet Collins  
**ombudsman**