

Bank Charge Refunds

It Pays to Ask

If you've been charged an unfair penalty by your bank, should you complain? The answer, according to a recent Which? Survey is a most definite YES. 85% of complainants have been successful in obtaining at least a partial refund, and of those cases referred to the Financial Ombudsman Service all have been settled.

Awareness of unfair bank charges has been highlighted in the press over the last 12 months, resulting in bank customers fighting back at what they believe to be unreasonably high administrative charges. Indeed sample reclaim letters are downloadable from many websites including the BBC and Which?

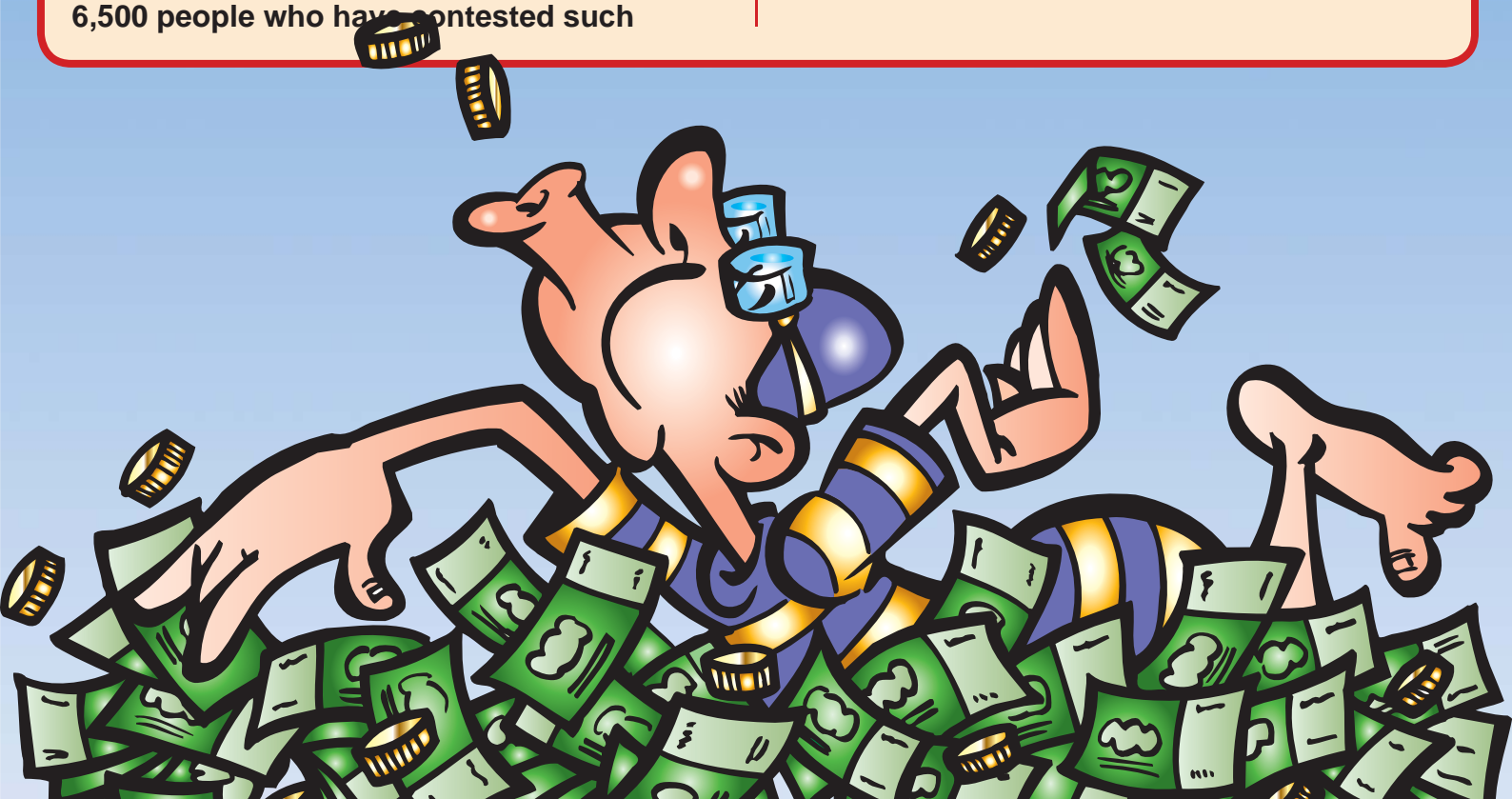
Typically the charges fall into the £20-£30 bracket to cover admin charges for items like bounced cheques or late payments. The Consumer Action Group says that almost 6,500 people who have contested such

charges have been repaid (amounting to around £9m).

Nonetheless, the Which? Survey found that only a third of people who feel they've been charged unfairly will actually complain, with many fearing their bank's reaction. A quarter of those that DID complain found their banks to be unhelpful and unresponsive.

A spokesperson for Which? is quoted as saying "Claiming back unfair bank charges is a simple process that won't take up hours of your time."

Many feel bank charges of this kind are in fact illegal, and although the banks deny the allegation, it is clear that most will offer a repayment of some kind if contested. The Office of Fair Trading will be publishing their own report on bank charges (and whether they are fair) shortly.



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