

## April 2012

I got home from Parliament last week to open a letter from my bank. It is the same bank I have been with since I was seven and over the years they have been very good to me. It is now a state-owned bank but as a classic loyal customer I am prepared to stick with them through the bad times, as they have with me.

As part of my bank account I have a bank credit card. I hardly ever use it because I have a second credit card from another supplier which accumulates points with every purchase, and we all know what points mean! However on my bank credit card is a monthly subscription of £7.75 which last month I forgot to pay and as a result incurred a late payment charge. Fair cop, except this late payment charge was £12, making my total debt now nearly £20. A charge greater than the sum owed is in my view unacceptable, disproportionate and happening to customers all the time, contributing massively to the problems of personal debt.

Readers will know that I have an interest in levels of personal debt, speaking about it regularly in Parliament. Medway has increasing levels of debt and not just from those you might have automatically presumed would be hit in times of rising living costs, such as low income earners. Medway CAB is seeing an increase in the number of middle income earners seeking debt advice and the figures of total amount of monies owed by their clients per week is eye-wateringly high.

The high cost credit lending industry, often rightly, gets a lot of focus for encouraging people into an unmanageable level of debt but the hidden charges from mainstream financial service providers are just as bad. I thought disproportionate bank charges had been dealt with by the last Government but clearly some are still allowed and continue to contribute to an individual's increasing debt. It is certainly an area worth investigating further and that is precisely what I intend to do when Parliament returns. Please let me know if you've had a similar experience.