

## **The complaint**

Mr E complains that Vanquis Bank Limited ('Vanquis') irresponsibly gave him a credit card account that he couldn't afford.

## **What happened**

On 28 June 2016, Mr E applied for and was given a credit card account with Vanquis. Mr E was given an initial credit limit of £500. This credit limit was never increased.

In 2021, Mr E complained to Vanquis to say that the account shouldn't have been opened for him because it wasn't affordable and that Vanquis ought to have made a better effort to understand his financial circumstances before increasing his credit.

Our adjudicator didn't recommend the complaint be upheld. Mr E didn't agree. So, the complaint has been passed to me to decide.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've read and considered the whole file, but I'll confine my comments to what I think is relevant. If I don't comment on any specific point it's not because I've failed to consider it but because I don't think I need to comment on it in order to reach what I think is the right outcome in the wider context. My remit is to take an overview and decide what's fair "in the round".

Vanquis will be familiar with all the rules, regulations and good industry practice we consider when looking at a complaint concerning unaffordable and irresponsible lending. So, I don't consider it necessary to set all of this out in this decision. Information about our approach to these complaints is set out on our website.

Mr E's complaint is that Vanquis made credit available that was unaffordable. Vanquis has explained that it carried out a credit check using a credit agency to determine the amount of credit it was able to offer. It's possible that Vanquis failed to make adequate checks before providing Mr E with credit. But even if that's true, I don't think better enquiries would have caused Vanquis to think the credit was unaffordable.

I say this because Mr E told Vanquis that he earned a good salary. Mr E's bank statements show that Mr E's account enjoyed an income that was both regular and not modest. And the bank statements provided by Mr E show that income and suggest that whatever other monthly commitments Mr E may have had for other credit, the total income each month was roughly the same as his monthly expenditure. In saying that I've noted the account was in credit at the start of the year (2016) and in credit just before the lending decision was made. Mr E has told us his finances were in a poorer shape than Vanquis'

credit check showed. But I have seen insufficient evidence that better information would have put Vanquis off of providing reasonably modest credit on a credit card.

So, having considered all the submissions made in this case, and in the absence of any extra evidence from Mr E to the contrary, I have seen insufficient evidence to think that a more thorough affordability check would have led Vanquis to think that the credit it provided Mr E was unreasonable. Further, I'm not persuaded that what Vanquis could see of his management of other credit ought to have prompted it to have acted differently than it did.

I know that Mr E will be disappointed with my decision. And I was sorry to hear of the details of his personal issues from the time of the lending decision. But I want Mr E to know that I have considered all the submissions made in this case. Having done so, I have not found sufficient evidence to uphold this complaint.

### **My final decision**

For the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 28 June 2022.

Douglas Sayers  
**Ombudsman**