

The complaint

Miss P complains that Capital One (Europe) plc ('Capital One') irresponsibly gave her a credit card account that she couldn't afford.

What happened

On 30 January 2018, Miss P applied for a credit card account with Capital One. She was given an initial credit limit of £200. The credit limit was never increased.

In 2022, Miss P complained to Capital One to say that the account shouldn't have been opened for her because it wasn't affordable and that Capital One ought to have made a better effort to understand her financial circumstances before giving her credit.

Our adjudicator didn't recommend the complaint be upheld. Miss P 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".

Capital One 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.

Miss P's complaint is that Capital One made credit available that was unaffordable. Capital One has explained that it carried out a credit check using a credit agency to determine the amount of credit it was able to offer at each stage of its lending. It's possible that Capital One failed to make adequate checks before providing Miss P with credit. But even if that's true, I don't think better enquiries would have caused Capital One to think the initial credit limit was unaffordable.

I say this because Miss P told Capital One at the point of sale that whilst she was working and had a good income from her employment. The initial credit limit was modest and the maximum monthly payments for that credit were also relatively modest. Capital One told us their credit check showed a modest amount of other debt and no defaults or CCJ's.

So, having considered all the submissions made in this case, and in the absence of any extra evidence from Miss P to the contrary, I have seen insufficient evidence to think that more thorough affordability checks would have led Capital One to think that the modest

credit it provided Miss P was unreasonable. Further, I'm not persuaded that the way Miss P was managing her account or what Capital One could see of her management of other credit ought to have prompted it to have acted differently than it did.

I know that Miss P will be disappointed with my decision. But I want Miss P to know that I 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 Miss P to accept or reject my decision before 28 June 2022.

Douglas Sayers
Ombudsman