

The complaint

Mr S complains that Barclays Bank UK PLC trading as Barclaycard ('Barclaycard') irresponsibly gave him a credit card account that he couldn't afford.

What happened

In October 2017, Mr S applied for and was given a credit card account with Barclaycard. Mr S was given an initial credit limit of £250. This credit limit was increased to £500 in August 2019.

In 2022, Mr S complained to Barclaycard to say that the account shouldn't have been opened for him because it wasn't affordable and that Barclaycard 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 S 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".

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

I say this because Mr S told Barclaycard that he earned a good salary. I say this because the initial credit limit and credit increase were modest and the monthly payments for that credit would have been relatively modest and subsequently the account was largely well managed. And I have not seen evidence of financial difficulties at those times to make me think that Barclaycard would have been put off providing reasonably modest credit on these credit cards.

So, having considered all the submissions made in this case, and in the absence of any extra evidence from Mr S to the contrary, I have seen insufficient evidence to think that a more thorough affordability check would have led Barclaycard to think that the credit it provided Mr S was unreasonable.

I know that Mr S will be disappointed with my decision. But I want Mr S 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 S to accept or reject my decision before 18 July 2022.

Douglas Sayers
Ombudsman