

The complaint

Mrs P has complained that NewDay Ltd only offered her a credit limit of £250.

What happened

Mrs P had previously enjoyed a £15,000 credit limit on her JLP card. However when the provider changed to NewDay and new application was made and a credit limit of £250 was offered.

Our investigator didn't find that NewDay had done anything wrong. Mrs P appealed.

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.

Having done so, and although I recognise that Mrs P will be disappointed, I don't uphold her complaint. I'll explain why.

- NewDay was entitled to set a credit limit for Mrs P – it wasn't obliged to mirror any previous arrangement. The limit it set was at its sole discretion. It's lending criteria are commercially sensitive, but having checked I'm satisfied that it applied the criteria fairly.
- It explained that credit limits are based on risk and affordability assessments unique to itself – and that this may vary across financial firms.
- The credit agreement that Mrs P signed with NewDay advises: *Your credit limit is set by us when we open your account, and we will tell you what it is when we send you your card. The credit limit is the total amount you can borrow from us at any one time. We consider a number of factors when deciding your credit limit.*"
- NewDay has said that it would keep the credit limit under review and may change it from time to time. It would advise Mrs P if it did so – I think that was fair.
- I appreciate that Mrs P wanted to discuss the matter with NewDay by telephone, however they don't offer this service.

In all the circumstances, like our investigator, I can't say that NewDay has treated Mrs P unfairly or unreasonably, contrary to the terms of her agreement or otherwise done anything wrong.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or

reject my decision before 7 February 2023.

Lindsey Woloski
Ombudsman