

## The complaint

Mr R complains that J D Williams & Company Limited (“J D Williams”), irresponsibly granted him two credit card accounts he couldn’t afford to repay.

## What happened

Mr R entered into an agreement with J D Williams to have access to credit with two accounts that were opened for him in January 2023, one with an initial credit limit of £125 and the other with an initial credit limit of £150.

Mr R says that J D Williams didn’t complete adequate affordability checks when it opened the two accounts and didn’t take into consideration his personal health situation.

J D Williams didn’t agree. It said that it carried out a reasonable and proportionate assessment to check Mr R’s financial circumstances before granting him the account.

Our adjudicator didn’t recommend that the complaint be upheld. He thought J D Williams didn’t act unfairly or unreasonably by approving the account.

Mr R didn’t agree and so his complaint has been passed to me for a final decision.

## 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”.

J D Williams 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 R’s complaint is that J D Williams made credit available to him that was unaffordable. Before granting each of the two accounts and setting the opening credit limits, J D Williams looked into Mr R’s financial situation. I think J D Williams gathered a reasonable amount of evidence and information from Mr R about his ability to repay both accounts. This included completing a credit check with credit reference agencies and checking that Mr R was in full time employment. It also showed that he didn’t have any defaults or other adverse findings against him from previous borrowing. It’s possible that J D Williams failed to make adequate checks before providing Mr R with credit. But even if that’s true, I don’t think better enquiries would have caused it to think the opening credit limit it gave him for each account was unaffordable.

Mr R had other borrowing and a poor credit history. I think that likely explains why J D Williams chose to offer him an initial credit limit on each account that was relatively modest. We asked Mr R to provide us with evidence of his financial circumstances at the time so that we could see what more thorough checks would likely have revealed to J D Williams, but he hasn't provided the information that's been requested. So as things stand, I haven't seen anything that persuades me that J D Williams would or should have seen that Mr R's financial circumstances were in such a way as to make providing him with these two credit facilities as being unreasonable. And in the absence of extra information from him, I haven't seen enough evidence to think that a more thorough affordability check would have led J D Williams to think that it should not have issued credit to Mr R at the time.

I am sorry to hear of the challenging personal circumstances Mr R has told us about. I understand J D Williams is also now aware of this and I would expect them to act with appropriate forbearance and to make allowance accordingly when reviewing any outstanding balances still remaining on these two accounts.

I know Mr R will be disappointed by this decision. But I'd like to reassure him that I have fully considered everything he's told us. Having done so, I have not found sufficient evidence to uphold his complaint.

I'm therefore not persuaded that J D Williams acted unfairly in approving these two accounts.

### **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 R to accept or reject my decision before 15 June 2023.

Michael Goldberg  
**Ombudsman**