

The complaint

Mr W complains that NewDay Ltd ('NewDay') shouldn't have opened a credit card account for him because it was unaffordable.

What happened

- In 2012 NewDay opened a credit card account for Mr W with an unknown credit limit.
- In 2013 NewDay increased Mr W's credit limit to £1,250.
- In 2016 Mr W closed his credit card account with nothing owing to NewDay.
- In December 2022 Mr W complained to NewDay that it shouldn't have opened a credit card account for him because it was unaffordable.
- In February 2022 Mr W complained to our service that NewDay shouldn't have opened a credit card account for him because it was unaffordable.

Mr W's complaint was considered by one of our investigators who came to the view that it shouldn't be upheld.

Mr W didn't agree with the investigator's view, so his complaint has been passed to me for review and 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.

Where the information I've got is incomplete, unclear, or contradictory I have to base my decision on the balance of probabilities.

NewDay 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.

NewDay hasn't been able to provide much in support of its decision to open Mr W a credit card account in 2012, or in support of its decision to increase his credit limit in 2013, although it has explained what its general underwriting processes were in 2012 and 2013. But this lack of evidence or information isn't surprising given the passage of time and NewDay's obligations under General Data Protection Regulation.

But equally Mr A hasn't provided any documentary evidence in support of his submission that NewDay shouldn't have opened him a credit card account either.

I accept that Mr W might have fallen into financial difficulties after his credit card account had been opened and his credit limit increased. But this isn't enough for me to be able to conclude that his complaint should be upheld.

So, although I can't discount what Mr W has told our service, I'm not persuaded that there is sufficient evidence for me to conclude that NewDay did anything wrong in opening a credit card account for Mr W in 2012 or in increasing his credit limit in 2013.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 8 November 2023.

Phillip Lai-Fang
Ombudsman