

The complaint

Ms P complains that NewDay Ltd (NewDay) declined her application for a credit card with no explanation. She would NewDay to accept application.

What happened

The details of this complaint are well known to both parties so I won't repeat them again here. Instead I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusions:-

- Ms P has shared details of her personal circumstances with us including an excellent credit score from another organisation. However, that doesn't mean that NewDay automatically would rate Ms P's application in the same way. Lenders apply different criteria for offering credit so may use credit data in a different way. Ultimately it's a business decision for NewDay as to who it offers credit to and not something for us to interfere with.
- I do however appreciate Ms P's frustration in not being given the reason why her application was declined. Businesses don't have to share this information which is commercially sensitive. On occasions businesses share such information with us so we must treat this confidentially. However, having seen the reason Ms P's application was turned down we asked NewDay for permission to share this as we felt, in this case, it would be reasonable and helpful to do so. I am pleased to say NewDay did agree for us to do this so Ms P does now know the reason her application was declined.
- Ms P's application was turned down automatically, she thinks it should have been considered manually. NewDay has explained that her application didn't trigger a manual review. It would be unreasonable to expect a business to manually review all credit card applications. And, given the decline was an automatic one, I can't agree that there was any discrimination in this decision as Ms P has suggested. I think the automatic decline was understandable in the circumstances.
- As I haven't found NewDay to have done anything wrong I can't reasonably ask it to agree Ms P's application for a credit card or to re-run a new credit check as she has now requested. NewDay has said Ms P is welcome to reapply again in the future so I would encourage her to do so, particularly as I understand the circumstances that led to the declined application have now changed.

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 Ms P to accept or reject my decision before 11 March 2024.

Bridget Makins
Ombudsman