

## **The complaint**

Ms M complains that J D Williams & Company Limited, trading as Jacamo (JWD), irresponsibly provided her with two catalogue credit accounts and credit limit increases (CLIs) she couldn't afford.

## **What happened**

The first account started in January 2013 and the second the following month. The credit limit on each account was increased eight times between then and mid-2015.

In 2023, Ms M complained to JWD that it had lent to her irresponsibly, causing her financial difficulty.

JWD didn't uphold the complaint. It said it had carried out appropriate checks – including using information obtained from a credit reference agency (CRA) – which showed Ms M could afford the credit it had provided her with.

Unhappy with JWD's response, Ms M complained to this service. Our investigator didn't recommend that Ms M's complaint should be upheld. They believed, in essence, that JWD should have carried out more checks when it lent to Ms M. But that, ultimately and in the absence of more information about her financial circumstances during the period, none of the lending decisions it had made on either of the accounts could be said to be unfair.

Ms M didn't agree with the investigator's findings. She asked for the case to be passed to an ombudsman to be reviewed afresh while she tried to obtain copy bank statements from the time to demonstrate her financial situation.

## **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 don't uphold this complaint. I'll explain why.

JWD was required to complete proportionate affordability checks prior to advancing credit to Ms M. What's considered proportionate will vary in each case as it is unique to each lending decision. In deciding how thorough a check should be, JWD needed to consider things such as (but not limited to) the amount of credit being advanced, the type of credit, the size and frequency of the repayments, the cost of the borrowing and Ms M's personal circumstances.

I think it likely that JWD did obtain some information about Ms M's financial circumstances at the start of the accounts in 2013, when it granted credit limits of £125 and £150. Given the levels of credit offered were so low, I wouldn't have expected JWD to have carried out significant checks as it might have done if it was lending much more. That said, the credit limit on each account rose steadily over the course of the next two years or so, to the point that the final CLIs took the limits to £2,750 and £2,500 respectively. That's considerably more credit than was initially offered.

It's not surprising, given how long ago the CLIs took place, that JWD doesn't still have all the information in support of its decisions to lend to Ms M over this period. But even if I believed JWD was at fault for not undertaking sufficient checks at each stage, that wouldn't be enough for me to uphold the complaint. I'd also need to be satisfied that any decision to lend to Ms M was irresponsible based on her circumstances at the relevant times.

The simplest way to assess Ms M's financial situation between 2013 and 2015 would be to review copies of her credit file and/or bank statements. This would likely help in deciding whether the lending was unaffordable for Ms M in the light of her circumstances. We've asked Ms M to provide this information and allowed ample opportunity for her to do so. I can understand why this might not be straightforward for Ms M to obtain, several years after the events in question. But, without these and based on what's still available, I can't fairly say either that the lending was affordable for her or, equally, that the lending was likely to be unaffordable for her.

I say that because, for example, it seems Ms M was managing the accounts well overall. She didn't utilise the credit limits to their full extent and generally made at least the minimum monthly payments.

Taking all of this into consideration, I'm not persuaded that the lending decisions JWD made in relation to the two accounts Ms M's complained about were irresponsible.

### **My final decision**

For the reasons given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 10 May 2024.

Nimish Patel  
**Ombudsman**