

The complaint

Mr N complains about the reason National Westminster Bank Plc ('NatWest') gave him for rejecting his request for a credit limit increase.

What happened

Mr N has a credit card with NatWest. It was opened in March 2024 with an initial credit limit of £2,050. In August 2024 he asked NatWest to increase the limit. They refused and explained that was because:

"Your card needs to have been active, with spending and repayments made for at least 2 months before we can consider a limit increase."

Mr N thought that they had discriminated against him because they had denied him the opportunity to go on a spending spree like an able-bodied person. He explained that he had mental health difficulties.

When NatWest rejected his complaint Mr N referred it to this service. But as our investigator didn't think NatWest had been unreasonable, Mr N asked for a decision by an ombudsman.

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 know it will disappoint Mr N, but I'm not upholding this complaint. I'll explain why.

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

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Guidance provided by the Information Commissioner's Office says that when a credit provider, such as NatWest, refuses an application for credit they should provide the main reason for that refusal. Here NatWest have given their main reason. They've explained that it's because Mr N hadn't been actively spending and repaying. In that respect I don't think they've done anything wrong. They are entitled to make a commercial decision about whether to lend to someone and they don't need to provide detailed reasons for refusals.

Mr N says that decision is discriminatory. It's not for me to decide whether a business has breached the Equality Act, only a court can do that, but I consider the law, including the Equality Act (2010), and the relevant guidance, when I decide if a business have been fair and reasonable. I don't think there's evidence NatWest have discriminated here, they appear

to have followed the same approach they would for any credit limit application and I'm not, therefore, asking them to take any action.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 12 February 2025.

Phillip McMahon
Ombudsman