

## **The complaint**

Mr S complains that NewDay Limited declined his applications for a credit card.

## **What happened**

Mr S made multiple applications to NewDay for a credit card account which were declined, even though he has two active credit card accounts with NewDay. He complained to NewDay in August 2024 but it didn't uphold his complaint as it said that it had been unable to evidence any error made by it. It said that Mr S's applications were declined at the eligibility stage because he didn't meet the criteria for that account.

Mr S wasn't satisfied with its response so complained to this service. His complaint was looked at by one of this service's investigators who, having considered everything, didn't recommend that it should be upheld. She said that the applications didn't meet NewDay's lending criteria so were declined. She also said that she hadn't found that NewDay had done anything wrong, so she wouldn't be asking it to do anything differently.

Mr S has asked for an ombudsman to issue a decision on his complaint. He says that a default on his credit file has been removed, he has two credit cards account with NewDay, both of which have had their credit limits increased, and his financial position isn't going down so NewDay must award him with the credit card for which he's applied,

## **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.

When someone wants to borrow money from a lender, they need to give the lender some information about themselves. The lender uses that information to decide whether to lend the money and, if it does, how much it's going to cost the borrower to pay it back. It's a commercial decision for the lender as to whether it lends money and there's no requirement for a lender to accept an application for credit.

Mr S has made multiple applications to NewDay for a credit card account. It says that his applications were declined at the eligibility stage because he didn't meet the criteria for that account. NewDay has provided evidence to show that an application made by Mr S in June 2024 was declined because of his answer about the sustainability of his payments because he'd said that his income would be decreasing in the next year. Mr S says that he wouldn't have said that and his financial position isn't going down but I'm not persuaded that there's enough evidence to show that NewDay acted incorrectly when it declined that application.

NewDay has also provided evidence to show an application made by Mr S in August 2024 was declined because of a default on his credit file. Mr S says that he's disputed the default and that it's been removed but the evidence from NewDay shows that the default was still showing on his credit file at the time of the application so I'm not persuaded that there's enough evidence to show that NewDay acted incorrectly when it declined that application.

Mr S has two credit card accounts with NewDay and he says that the credit limits for those accounts have been increased. It's a commercial decision for NewDay as to the eligibility criteria that it uses for a credit card account and the accounts that Mr S has with NewDay, and the credit limit increases on those accounts, don't mean that Mr S would be eligible for the account for which he's applied.

The investigator was persuaded that NewDay considered Mr S's applications in line with its normal process and lending criteria but she said that it should've explained to Mr S the primary reason for the decline - and she thought that, if it had given Mr S that information in its final response letter, he might not have felt the need to complain to this service. NewDay said, in its final response letter to Mr S, that he didn't meet the criteria for an account but I consider that it should have given him more information about the primary reasons that his applications were declined.

It's clear that Mr S feels very strongly that NewDay should allow him to have the credit card for which he's applied, but I'm not persuaded that there's enough evidence to show that NewDay acted incorrectly when it declined his applications. I appreciate that my decision is going to be disappointing for Mr S, but I find that it wouldn't be fair or reasonable in these circumstances for me to require NewDay to take any action in response to his complaint.

### **My final decision**

My decision is that I don't uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 24 February 2025.

Jarrold Hastings  
**Ombudsman**