

The complaint

Mr C complains that The Royal Bank of Scotland Plc (RBS) irresponsibly lent to him.

Mr C is represented by a Claims Management Company in bringing this complaint. But for ease of reading, I'll refer to any submission and comments they have made as being made by Mr C himself.

What happened

Mr C was approved for an RBS credit card in February 2022 with a £3,450 credit limit. Mr C says that this was irresponsibly lent to him. Mr C made a complaint to RBS, who did not uphold his complaint. RBS said that they were unable to agree they lent irresponsibly. Mr C brought his complaint to our service.

Our investigator did not uphold Mr C's complaint. Our investigator said that RBS' checks were proportionate, and they made a fair lending decision. Mr C asked for an ombudsman to review his complaint. He said that when he applied for the card, no actual check was carried out to see if he could afford to make repayments to the account. He said it was an online form, so no RBS worker could double check his income.

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.

Before agreeing to approve the credit available to Mr C, RBS needed to make proportionate checks to determine whether the credit was affordable and sustainable for him. There's no prescribed list of checks a lender should make. But the kind of things I expect lenders to consider include - but are not limited to: the type and amount of credit, the borrower's income and credit history, the amount and frequency of repayments, as well as the consumer's personal circumstances. I've listed below what checks RBS have done and whether I'm persuaded these checks were proportionate.

RBS used information from Mr C and a Credit Reference Agency. Mr C declared a net monthly income of £1,432. Although Mr C has said that no actual check was made here, Mr C has not told us that he declared a wrong income. And it wouldn't be clear why Mr C declared a £1,432 net monthly income if he was receiving a different amount.

But RBS can carry out checks which do not involve a customer directly as they may have access to other data. I can see from the credit file Mr C forwarded to our service that it shows on page 9 of his credit file that he had an RBS current account.

The data from the CRA that RBS used told them that Mr C had total active unsecured debt of £12,400. But not only did the CRA tell RBS the total of the unsecured debt, they also reported how much Mr C was paying each month for his credit commitments.

RBS completed an affordability assessment using information from a CRA (his monthly

credit commitments) and modelling (which is an industry standard way of estimating outgoings). The affordability assessment showed that Mr C should be able to sustainably afford repayments for a £3,450 credit limit.

In addition to this, the CRA reported that Mr C hadn't defaulted on any accounts or had any County Court Judgements in the last six years. And he wasn't in arrears on any of his accounts. So despite Mr C believing that RBS didn't make checks, I'm persuaded that RBS' checks were proportionate, and I'm persuaded that they made a fair lending decision here.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I can't conclude that RBS lent irresponsibly to Mr C or otherwise treated him unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 16 September 2025.

Gregory Sloanes
Ombudsman