

The complaint

Mr A complains MBNA Limited withdrew his credit card account, after initially approving his application.

What happened

On 15 April 2024 Mr A applied for a credit card with MBNA, using a third-party website. Based on the information he provided; MBNA initially approved Mr A for a credit card with a limit of £12,000. A credit card, pin and online log in details were sent to Mr A by post.

The following day MBNA contacted Mr A to request additional information, namely a copy of his passport, bank statements and later, a copy of his payslip. On 18 April 2024 MBNA wrote to Mr A to explain his credit card application had been unsuccessful and the account was withdrawn.

As a result, Mr A complained, asking MBNA to explain why it had made the decision to review the lending it had initially approved and close the account. MBNA said he'd not met the account opening criteria, but it was unable to share further details about this.

MBNA issued its final response to Mr A's complaint on 24 April 2024. In this it explained it had concerns following discrepancies in the information Mr A had provided and as such, had made the decision to withdraw Mr A's account.

Unhappy, Mr A brought his complaint to this Service. He said he'd initially been approved for a credit card, but when MBNA requested further information, that it hadn't initially asked for, his application had been declined. He considered MBNA had discriminated against him by requesting further information it didn't initially need.

An Investigator here reviewed matters, but didn't consider MBNA had acted unfairly. They said while MBNA had initially approved Mr A's application and sent him the credit card, it was still able to carry out further checks. And following those checks it made the decision to withdraw the account, which was reasonable. Although they said MBNA could have explained, more clearly, that it was able to review its decision, it would still have closed his account. And as it acted quickly, our Investigator didn't consider Mr A had lost out as a result. They also didn't agree MBNA's actions meant Mr A had been discriminated against.

Mr A didn't agree, reiterating MBNA shouldn't have questioned his pay, given this was verifiable within his bank statements and wasn't required initially.

As no agreement has been reached, this complaint has been passed to me to decide.

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 should firstly say I've read and taken into account all of the information provided in reaching my decision. I say this as I'm aware I've summarised this complaint in less detail than both

parties. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

My role is to decide whether MBNA has acted fairly and reasonably towards Mr A – and in doing so I've taken into account the relevant law and regulations, the regulator's rules, guidance and standards, codes of practice, and (where appropriate) what is considered to have been good industry practice at the relevant time.

Mr A's credit card application was initially approved by MBNA, based on the information he provided it, but upon further review MBNA made the decision to withdraw the application and close Mr A's account. While I appreciate this would have been frustrating, MBNA, like other banks must take certain actions in order to meet legal and regulatory obligations when providing an account to a customer. This includes, carrying out additional checks where necessary, to ensure a customer meets the eligibility criteria. MBNA's terms allow for that.

Here, MBNA requested further evidence from Mr A, and on review, decided he wasn't eligible for the credit card it had offered him. It explained to Mr A this was because there were discrepancies in the information he provided. While I understand Mr A would like to know the exact reason for this, this isn't something our Service can share with him. The rules set by the financial regulator, the Financial Conduct Authority, allows us to receive information in confidence like this.

I note Mr A has raised concerns MBNA lost his documents which I need to see – but I've seen he also asked MBNA to delete them. This is in line with MBNA's usual process for an account it didn't fully open – so I don't think it's done anything wrong here. I should also say Mr A hasn't provided this Service the evidence MBNA relied on when asked either. But I have seen MBNA's system notes, and I'm satisfied it acted fairly in withdrawing Mr A's application. I say that because MBNA are entitled to decide who it provides lending to. I understand Mr A wants a detailed explanation as to how his income has been verified, but this isn't something I'm able to share with Mr A, for the reasons I've explained above.

As our Investigator explained, it's disappointing MBNA initially approved Mr A's application, but upon further review, made the decision to withdraw it. While it's entitled to carry out these additional checks, as explained, I've gone on to consider whether Mr A has been significantly inconvenienced as a result. But I don't think he has, I'll explain why.

MBNA contacted Mr A the day after his application was initially approved, requesting additional information. While it carried out its review, it blocked Mr A's card so he was unable to use it when it arrived. This seems reasonable, and allowed under its terms and conditions, as until it had finished its review, it's right Mr A shouldn't be able to spend on the card. MBNA then reviewed the information Mr A provided quickly and made its decision to close the account and withdraw lending within two days. As such, although Mr A had initially believed he would be given lending, MBNA overturned its decision quickly and before Mr A likely received the card or was able to start using it. MBNA has also said only one entry is recorded on Mr A's credit file for this account, as I'd expect. So I don't think it's acted unfairly in this regard either.

Overall MBNA are required to carry out checks on applications that have been made, and in some instances additional information is requested. As explained this seems reasonable and its terms allow for it. I also can't agree MBNA has discriminated against Mr A by requesting further information or withdrawing the account. It's reviewed information in line with its terms and conditions and based on what I've seen, he's not met the requirements set out under its lending criteria.

So while I know Mr A will be disappointed, I'm satisfied he's fairly been turned down for the credit card – and I'm satisfied MBNA aren't required to provide further details than it's done so already.

My final decision

For the reasons explained above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 26 August 2025.

Victoria Cheyne
Ombudsman