

## **The complaint**

Mr B complains that Bank of Scotland plc lent irresponsibly when it approved his credit card application.

## **What happened**

Mr B successfully applied for a Bank of Scotland credit card in August 2019. Bank of Scotland issued a credit card with a £2,000 limit to Mr B who went on to use it. At the time of Mr B's Bank of Scotland application he already had two other credit cards with businesses from the same banking group.

More recently, Mr B complained that Bank of Scotland lent irresponsibly and it issued a final response. Bank of Scotland upheld Mr B's complaint and said a review of his application showed he'd recently applied for two other credit cards within the same banking group. Bank of Scotland said the decision to approve Mr B's application wasn't reasonable in the circumstances and agreed to refund all interest, fees and charges applied to his credit card. Bank of Scotland added the refund would be used to reduce the outstanding balance on Mr B's credit card.

An investigator at this service looked at Mr B's complaint. They thought Bank of Scotland had made a fair offer to settle Mr B's case and didn't ask it to do anything else.

Mr B asked to appeal and said he'd recently had to enter into a Debt Management Plan (DMP) that included his Bank of Scotland credit card. Mr B said the remaining account balance should be written off. Mr B also said Bank of Scotland should remove any adverse information from his credit file when the balance is repaid. As Mr B asked to appeal, his complaint has been passed to me to make a decision.

Mr B's complaint was recently passed to me to review. I asked our investigator to contact Bank of Scotland and ask if it was willing to remove the adverse information recorded on Mr B's credit file once the balance of his credit card is repaid in addition to the refund it already made. Bank of Scotland responded to confirm it was willing to proceed on that basis.

Our investigator contacted Mr B and asked if he wanted to settle on that basis or proceed with the final decision. Mr B confirmed he wanted to proceed with the final decision.

## **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.

Bank of Scotland has already upheld Mr B's complaint about his credit card application and explained he had also applied for two other credit cards from businesses in the same banking group within a short period of time. I can see Bank of Scotland has already refunded all interest, fees and charges applied to Mr B's credit card from the date of approval. The refund was applied to Mr B's outstanding balance in early March 2025.

Mr B has provided paperwork that shows he entered a DMP a short time later, including the remaining balance of his Bank of Scotland credit card. I understand Mr B wants Bank of Scotland to write off the remaining balance. But I think it's fair to say Mr B had the benefit of the funds he borrowed using them either for balance transfers or retail spending. I can also see from the paperwork provided by Mr B that a DMP has been agreed including the remaining balance of his Bank of Scotland credit card. I think the fairest solution is for Mr B to repay the remaining balance and the DMP he already has in place should achieve that in an affordable way. I'm sorry to disappoint Mr B but I haven't found grounds to tell Bank of Scotland to write off the remaining balance.

Bank of Scotland has recently confirmed it's willing to remove any adverse information recorded about the credit card from Mr B's credit file once the balance has been repaid. In addition to the refund already paid, that's very much in line with what I would've told Bank of Scotland to do had no offer been made. In my view, the settlement agreed by Bank of Scotland is fair and reasonable in the circumstances of Mr B's complaint, so I'm not telling it to take any further action.

I've considered whether the business acted unfairly or unreasonably in any other way including whether the relationship might have been unfair under Section 140A of the Consumer Credit Act 1974. However, I'm satisfied the redress already agreed results in fair compensation for Mr B in the circumstances of his complaint. I'm satisfied, based on what I've seen, that no additional award would be appropriate in this case.

### **My final decision**

My decision is that Bank of Scotland plc has agreed a settlement that is fair and reasonable in all the circumstances and that it should remove any adverse information recorded on Mr B's credit file once the outstanding credit card balance has been repaid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 13 November 2025.

Marco Manente  
**Ombudsman**