

The complaint

NewDay Ltd trading as Aqua provided Miss A with a credit card in 2021. It had a credit limit of £1,200. Miss A says the credit was provided irresponsibly.

What happened

Miss A complains about NewDay's lending decisions below:

Date	Event	Credit Limit
April 2021	Account opening	£1,200
September 2022	Credit limit decrease	£950
August 2023	Credit limit increase	£1,200

NewDay didn't agree it had lent to Miss A irresponsibly when it opened her credit card account. But felt it shouldn't have increased her credit limit in August 2023. Miss A remained unhappy, so brought her complaint to our service.

Our Investigator looked into what had happened and felt NewDay carried out reasonable and proportionate checks before agreeing to lend. He also felt NewDay's checks suggested the credit card was affordable. As NewDay had already upheld Miss A's complaint about the credit limit increase in line with our usual approach, our Investigator didn't think it needed to do anything further to resolve Miss A's complaint.

Miss A disagreed with our Investigator, so her complaint was passed to me for a 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.

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website, and I've taken this into account in deciding Miss A's case.

I've decided the credit card was provided fairly because:

- I think the checks NewDay did before providing the credit were reasonable and proportionate given the credit limit it offered and what it knew about Miss A's financial situation.
- NewDay says it considered the information Miss A provided in her application and that gathered from credit referencing agencies before lending. Its checks suggested Miss A had a healthy disposable income after her essential spend and existing credit commitments. They also suggested Miss A was managing her accounts well as there were no recent adverse markers being reported.

- Based on the information NewDay gathered at account opening, and what it knew about Miss A's circumstances, there was nothing to suggest Miss A was likely to be unable to sustainably repay what she was being lent.
- Miss A provided us with copies of her bank statements to support her position – she also said NewDay should have verified her income. But I don't agree NewDay needed to verify Miss A's income, nor review her statements before agreeing to lend given the modest credit limit she was offered, and what the credit checks showed. So, while I appreciate her strength of feeling, I don't consider it would be fair to place weight on additional information I don't consider NewDay needed to obtain before lending to Miss A. But even if Miss A's income was at the amount she's explained, based on what NewDay gathered from its credit checks, I think the lending decision would have been the same.
- NewDay resolved matters with the August 2023 credit limit increase in line with our usual approach. So, I won't be asking it to do anything further regarding that lending decision.
- I don't think NewDay acted unfairly in any other way.

This means I don't think NewDay did anything wrong when it provided the credit card to Miss A.

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 don't think NewDay lent irresponsibly to Miss A or otherwise treated her unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Miss A hoped for. But for the reasons above, I'm not asking NewDay to do anything to put things right.

My final decision

My final decision is that I'm not upholding Miss A's complaint about NewDay Ltd trading as Aqua.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 5 January 2026.

Sarrah Turay
Ombudsman