The complaint

Mr Y complains that Vanquis Bank Limited (Vanquis) acted irresponsibly in granting him a credit card account, and increasing its limit, as he says it was unaffordable for him.

What happened

Mr Y took out a credit card with Vanquis in March 2005. The initial credit limit was £150.

The credit limit was changed as follows:

Date	Credit limit
June 2005	£300
May 2006	£550
November 2006	£1,000
February 2007	£1,500
13 March 2007	£750
14 March 2007	£1,000

The account was closed in 2018. Mr Y has a further credit card account with Vanquis, opened in 2021. That credit card doesn't form part of this complaint.

In 2024, Mr Y complained that the credit card account taken out in 2005 had been unaffordable for him. In its final response letter, Vanquis said it thought it had acted responsibly.

Mr Y was unhappy with Vanquis's response, so he referred his complaint to our service.

One of our Investigators considered Mr Y's complaint about the credit card and didn't uphold it. Mr Y disagreed with our Investigator's opinion, so the case comes 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.

Firstly, as Vanquis has consented to our service considering the complaint, I don't need to consider whether the case was referred within the time limits set by the regulator.

I've considered the relevant rules and guidance on responsible lending, laid out at the time Vanquis granted the credit card (and increased its limit) in the Banking Code. In summary, these say that before Vanquis provided the account, or increased its limit, Vanquis would assess whether or not it felt Mr Y could repay the credit.

Vanquis has explained that prior to offering Mr Y the account, it considered the information he provided in the application and assessed information from a credit reference agency to determine whether or not to lend. The information Vanquis holds about Mr Y's application recorded that Mr Y's annual income was £2,200, though it also recorded that he was employed full time.

Vanquis has told our service that it no longer holds the information from the credit reference agencies that it considered before granting the credit card, or increasing its limit. I think that's reasonable, given the time that's passed.

As Vanquis no longer holds the information it gathered prior to granting the credit card or increasing its limit, I can't fairly conclude that it reasonably considered that Mr Y could repay the credit.

Mr Y says that, at the time he applied for the credit card, he had a poor credit history, including defaults. Mr Y has been able to provide a copy of his credit file from 2021 – some years after the credit card was closed. Unfortunately, it doesn't show any information about his credit commitments or credit history at the time of the application, nor when Vanquis increased the credit limit.

Vanquis has been able to provide the transaction history for this credit card. It shows that, from the opening of the account until after the final credit limit increase, Mr Y made his payments on time and didn't go over the credit limit.

Mr Y has also been able to provide information about his finances, including some of his bank statements. These bank statements show that Mr Y had a monthly income of around £1,400 a month. The statements show limited essential expenditure (such as on rent, utilities etc). The statements also don't show any signs of financial difficulty from a few months before Mr Y applied for the credit card in March 2005 up until the final credit limit increase in March 2007, such as returned direct debits or use of short-term lending

Mr Y has also provided evidence that he sought debt advice in June 2007, which he says shows he was experiencing financial stress for some time. But for me to say that Vanquis shouldn't have reasonably considered that Mr Y wouldn't be able to pay back the credit limit of the credit card, I would need to be able to say that it was – or should have been – apparent to Vanquis that Mr Y was experiencing financial stress. And from the evidence available to me, I can't see that's the case.

On balance, I don't have enough information to reasonably conclude that Vanquis acted unfairly, or against the relevant guidelines at the time, in granting the credit card or increasing its limit. For these reasons, I am not upholding this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr Y to accept or reject my decision before 24 September 2025.

Frances Young
Ombudsman