

The complaint

Miss D complains that Vanquis Bank Limited lent to her irresponsibly.

What happened

In August 2024 Miss D applied for a credit card account with Vanquis. The application was approved, and Miss D was given a card with an initial credit limit of £1200.

Miss D complained that Vanquis had lent to her irresponsibly. She said she didn't think Vanquis had carried out appropriate checks to make sure she could afford the card and the high credit limit. She wants all interest and charges which have been applied to the card refunded.

Vanquis didn't uphold the complaint. It said it had carried out reasonable and proportionate checks before approving the application for credit.

Miss D remained unhappy and complained to this service.

Our investigator didn't uphold the complaint. They said that Vanquis had carried out reasonable and proportionate checks before giving Miss D the credit card, and that the lending decision was fair.

Miss D didn't agree so I've been asked to review the complaint.

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 approach to complaints about irresponsible and unaffordable lending, including the relevant rules, guidance and good industry practice, on our website. I've had this approach in mind when considering Miss D's complaint.

Having done so, I've come to the same conclusion as the investigator. I'll explain why.

Vanquis needed to take reasonable steps to ensure that it didn't lend irresponsibly. In practice, this means that it should have carried out reasonable and proportionate checks to make sure Miss D could afford to repay what she was being lent in a sustainable manner. These checks could take into account a number of things such as how much was being lent, the repayment amount, Miss D's borrowing history and her income and expenditure.

Vanquis has provided details of the checks it carried out before it approved the application.

I can see from the checks that Vanquis used the information it already held about Miss D's income, which she had stated as £41,333.00 per year. Miss D declared housing costs of £750 per month and said she had one dependant.

Vanquis carried out checks on Miss D's expenditure. It discovered that she was paying £305 per month towards existing credit commitments and £781 per monthly living costs.

Vanquis also carried out a credit check using a credit reference agency. This showed that Miss D had no recent defaults and all of her existing credit commitments were well managed. The credit checks didn't show any adverse information such as county court judgments or individual voluntary arrangements.

I can see that Miss D had a missed payment on one of her mail order accounts around 6 months prior to applying for the card with Vanquis. The missed payment was brought up to date so there were no outstanding arrears on that account.

Having reviewed the checks that Vanquis carried out, I'm satisfied that these were reasonable and proportionate.

I've gone on to consider whether the lending decision was fair.

I've reviewed the information which Vanquis used to carry out their affordability assessment. There's nothing in the information to suggest that the credit wasn't sustainably affordable for Miss D or that she was in financial difficulties. The information about Miss D's income and expenditure shows that she had sufficient monthly disposable income to afford the credit, even if the full credit limit was utilised.

Based on what I've seen I'm satisfied that the lending decision was fair.

Finally, I've considered whether Vanquis acted unfairly or unreasonably in some other way, including whether its relationship with Miss D might have been unfair under Section 140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Vanquis lent irresponsibly to Miss D or treated her unfairly. I haven't seen anything to suggest that section 140A or anything else would, given the facts of this complaint, lead to a different outcome here.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 26 November 2025.

Emma Davy
Ombudsman