

The complaint

Miss B complains that TSB Bank plc irresponsibly provided her with an unaffordable credit card and credit limit increases.

What happened

TSB Bank provided Miss B with a credit card in 2017. Details of the credit limits over the years are outlined in the table below:

Date	Event	Credit limit
April 2017	Original limit	£4,000
December 2019	1 st credit limit increase	£5,500
July 2021	2 nd credit limit increase	£6,250
August 2022	3 rd credit limit increase	£7,000

In January 2025 Miss B complained to TSB Bank about unaffordable lending. She said had it completed reasonable checks before these lending events that it ought to have identified the original credit limit, and credit limit increases, weren't affordable for her.

TSB Bank issued a final response in March 2025 in which it didn't uphold Miss B's complaint. In summary, it said its checks before each lending event were reasonable, and that it had fairly provided Miss B with each limit. Unhappy with TSB Bank's response Miss B referred her complaint to our service for review.

One of our investigators looked at the details of this complaint and considered it was reasonable to interpret it to be about the fairness of Miss B's relationship with TSB Bank. As such, they went on to review the details of the complaint on this basis. Having done so, they didn't consider TSB Bank had acted unfairly or unreasonably in its lending decisions, or management of Miss B's account. So, they didn't uphold the complaint.

TSB Bank didn't respond to our investigator's view; Miss B responded and disagreed. In summary, Miss B maintained her position and said:

- TSB Bank's checks before providing these credit limits weren't proportionate to the terms of lending.
- TSB Bank's checks, and our investigator's assessment, didn't reflect Miss B's actual financial circumstances at the time of the lending decisions.
- Another business Miss B complained to about irresponsible lending for events across a similar period of time concluded its checks hadn't been proportionate; and upheld her irresponsible lending complaint.

Miss B asked for an ombudsman's review, so the 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.

The information in this case is well known to Miss B and TSB Bank, so I don't intend to repeat it in detail here. I'd like to assure both parties I've carefully reviewed everything available to me, even though I may not have commented on it, because I've focused my decision on what I consider to be the key points of this complaint. I don't mean to be discourteous to Miss B or TSB Bank by taking this approach, but this simply reflects the informal nature of our service.

I think it's helpful for me to set out that there are time limits for bringing a complaint to our service, and TSB Bank has said this complaint was referred to us late. Our investigator set out within their view why they didn't think we could look at a complaint about the lending events that TSB Bank made more than six years before the complaint was made.

But they also went on to explain why it was reasonable to interpret Miss B's complaint as being about an unfair relationship as described in section 140A (s.140) of the Consumer Credit Act 1974 (CCA); and why she therefore considered Miss B's complaint about an allegedly unfair lending relationship had been made to us in time. I note that Miss B questioned this in response to our investigator's view; and it was clarified that our investigator had considered all lending events under this approach.

I don't intend to go into the detail our investigator has already set out within my decision here. But for the avoidance of doubt, I agree with our investigator that I have the power to look at Miss B's complaint on this basis. I say this because I consider Miss B's complaint can reasonably be considered as being about an unfair relationship, as she says TSB Bank's lending decisions brought about unaffordable lending, and that it ought to have identified this through proportionate checks.

The provision of this credit card and credit limit increases may have made the relationship unfair, as Miss B may have paid more in interest and charges than she could afford. I acknowledge TSB Bank doesn't agree we can look at any events more than six years before Miss B's complaint was made, but as I'm not upholding this complaint, I won't be commenting on this further.

In deciding what's fair and reasonable I'm required to take into account, amongst other matters, relevant law. As I consider Miss B's complaint is about the fairness of her relationship with TSB Bank, relevant law in this case includes s.140A-C of the CCA.

S.140A says a court may make an order under s.140B if it determines that the relationship between the creditor (in this case TSB Bank) and the debtor (Miss B), arising out of a credit agreement is unfair to the debtor because of one or more of the following, having regard to all matters it thinks relevant:

- any of the terms of the agreement.
- the way in which the creditor has exercised or enforced any of his rights under the agreement.
- any other thing done or not done by or on behalf of the creditor.

Case law shows that a court assesses whether a relationship is unfair at the date of the hearing, or if the credit relationship ended before then, at the date it ended. That assessment

has to be performed having regard to the whole history of the relationship. TSB Bank has confirmed the relationship is ongoing.

S.140B sets out the types of orders a court can make where a credit relationship is found to be unfair – these are wide powers, including reducing the amount owed or requiring a refund, or to do or not do any particular thing.

Given the details of Miss B's complaint, I need to consider whether TSB Bank's decision to lend to her, or other actions it may have taken, created an unfairness in the relationship between her and TSB Bank; and if it did, whether TSB Bank took reasonable steps to remove that unfairness.

We've set out our approach to complaints about irresponsible and unaffordable lending as well as the key rules, regulations and what we consider to be good industry practice on our website. I've taken this approach into account in deciding Miss B's case.

Having considered everything, I'm not upholding Miss B's complaint as I've decided TSB Bank provided each of these credit limits fairly. I say this because:

- I don't consider the checks TSB Bank completed before providing these credit limits were reasonable; given it hasn't been able to provide our service with the data sitting behind its checks, and therefore satisfy me its checks led to fair lending decisions.
- In the absence of any other contradictory information, I've reviewed Miss B's banks statements in the three months leading up to each of these lending events, as well as the management of her TSB Bank credit card, to build an understanding of her financial position at the time. While I acknowledge this information may not fully reflect Miss B's actual financial situation, as she has indicated, I'm persuaded this information allows me to reasonably understand what proportionate checks would more likely have shown TSB Bank at the time of its lending decisions.
- Having reviewed this information, I don't think proportionate checks would have shown TSB Bank it was unfair for it to provide Miss B with these credit limits. I've seen through reviewing Miss B's income, non-discretionary expenditure and existing commitments to credit, that on average she was left with a reasonable level of disposable income to sustainably afford each of the credit limits being provided.
- I acknowledge there are occasions where Miss B used an overdraft facility; however, her balance largely enters a credit position each month when credits are received. And while Miss B's management of her credit card changed over the years, with lower monthly payments being made, and a higher utilisation of the available limits, the account was generally being maintained well. Miss B was largely continuing to make monthly payments in excess of her contractual minimum, and her account was maintained within the agreed limit before these lending events.
- Miss B has made reference to some of her non-discretionary expenditure being paid through her credit card later into the lending relationship, rather than through her bank account. While I acknowledge Miss B's testimony here, I don't consider proportionate checks would reasonably have identified this, and therefore that TSB Bank would have taken this into account as part of its assessment.

I acknowledge Miss B has drawn parallels with this complaint and another that she has said had similar circumstances and was upheld by a financial business. I would set out to Miss B that each complaint I decide is considered on its individual details. So, while I understand

Miss B may have drawn parallels between the complaints, my decision here is reached taking into account the specific details relevant to this complaint.

Taking all the above into account I don't think TSB Bank did anything wrong when it made these lending decisions. And I've not seen anything to persuade me that TSB Bank has otherwise treated Miss B unfairly throughout the relationship. I therefore haven't seen anything to suggest that s.140A would, given the facts of this complaint, lead to a different outcome here.

I acknowledge my decision will likely be disappointing to Miss B. I am sorry to hear of both the personal and financial circumstances she's made us aware of. But for the reasons set out above, I'm not directing TSB Bank to take any further action in resolution of this complaint.

I note that in its final response that TSB Bank invited Miss B to contact it if she is experiencing financial difficulties. I would remind TSB Bank of the obligations on it in treating Miss B fairly and sympathetically during any engagement and steps it may take to support Miss B in these circumstances.

My final decision

My final decision is that I don't uphold Miss B's complaint about TSB Bank plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 11 February 2026.

Richard Turner
Ombudsman