

The complaint

Ms W has complained that NewDay Ltd, trading as Marbles, were irresponsible in opening a credit card account and subsequently increasing the credit limit.

What happened

Marbles provided Ms W with a credit card in January 2021 with a credit limit of £600. This limit was increased seven times, with the highest limit reaching £8,000 in June 2024.

Credit Limit Increase (CLI)	New Limit	Effective date
CLI one	£1,650	June 2021
CLI two	£1,850	November 2021
CLI three	£2,850	April 2022
CLI four	£4,200	February 2023
CLI five	£5,700	June 2023
CLI six	£6,700	February 2024
CLI seven	£8,000	June 2024

Ms W says the lending decisions were irresponsible. She says the checks carried out were insufficient and a more thorough check would have revealed that the required repayments were unaffordable.

Marbles reviewed Ms W's complaint and didn't uphold it. They were satisfied that appropriate checks were carried out at the point of opening the account and all subsequent credit limit increases. They felt that there was no indication that the repayments were unaffordable.

An investigator then reviewed the merits of Ms W's complaint, but didn't recommend it be upheld.

Ms W disagreed with our investigator's opinion. In summary she felt that a more thorough check would have shown this to be unaffordable, partly as some of her income that she relied on, was a disability allowance payment (DLA) made to Ms W as carer for her daughter.

Because an agreement couldn't be reached, 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.

Having done so, I'm not upholding this complaint. I know this will disappoint Ms W, so I'll explain why.

The rules and regulations in place at the time Marbles provided Ms W with the credit card, and subsequently increased the limit, required it to carry out a reasonable and proportionate

assessment of whether she could afford to repay what she owed in a sustainable manner. This is sometimes referred to as an 'affordability assessment' or 'affordability check'.

The checks had to be 'borrower' focused. This means Marbles had to think about whether repaying the credit sustainably would cause difficulties or adverse consequences for Ms W. In other words, it wasn't enough for Marbles to consider the likelihood of it getting the funds back – it had to consider the impact of any repayments on Ms W.

Checks also had to be 'proportionate' to the specific circumstances of the lending. In general, what constitutes a proportionate affordability check will be dependent on a number of factors including – but not limited to – the particular circumstances of the consumer (e.g. their financial history, current situation and outlook, any indications of vulnerability or financial difficulty) and the amount/type/cost of credit they were seeking. I've kept all of this in mind when thinking about whether Marbles did what it needed to before providing the credit card and subsequently increasing the credit limit.

Ms W has provided a lot of information, including bank statements, to this service and I'd like to thank her for that. Although I will not refer to everything below, Ms W can be assured that I have considered all of the evidence supplied, but will only comment on the key elements relevant to my decision.

Marbles used information declared by Ms W in her application and used data supplied by a credit reference agency (CRA) to help them see whether the credit was affordable for Ms W.

In her application Ms W declared an annual salary of £27,000. The information Marbles obtained showed Ms W had a previous default, nearly two years prior to the application, and a missed or late payment within the prior six months.

Marbles used all this information, and internal modelling to calculate cost of living expenses, before providing the credit card. Its checks suggested Ms W had a sufficient disposable income after her essential spend and existing credit commitments.

Having considered this myself, I am satisfied that Marbles made a fair lending decision. Despite the negative markers on the CRA report, Marbles made a reasonable assessment of Ms W's essential expenditure and as the credit limit was quite modest, the repayments did appear to be affordable.

Marbles took a similar approach to assessing affordability prior to each CLI. In addition it assessed Ms W's income using current account turnover data (CATO), which is information supplied by a CRA and described as a calculation of customer income based on current account turnover, or in other words, the amounts going through a customer's bank account.

Marbles was also able to see how Ms W was managing her credit card account. It used all of this information before deciding whether to offer an increase.

I've reviewed all of this information and am comfortable with Marbles' approach for the first five increases. But I think it should have performed further checks before CLI six when the limit was increased to £6,700.

I say this because of a number of factors, including:

- Overall, the credit limit was increasing by over 11 times, by over £6,000, since the account was opened around three years earlier.
- Ms W's existing debt had recently increased quite significantly to around £17,000.
- There were instances of minimum and late payments on the Marbles account, along with some cash withdrawals.
- CATO assessed income was over £3,300, which is significantly higher than Ms W had declared three years earlier.

There's no set way for how Marbles should have carried out further checks; it could have asked Ms W about her expenditure or, if it felt it appropriate, could have reviewed her bank statements.

In reaching my decision, I have used Ms W's bank statements as it is an easy way for this service to understand what proportionate checks would have likely revealed.

Having completed my assessment, there is nothing contained within Ms W's bank statements that would indicate any current financial difficulty, or that the calculations used by Marbles were unreasonable.

Ms W's income in the three-months prior to CLI six averaged around £3,500. This includes her salary, along with child benefit and Department for Work and Pensions (DWP) payments, such as the disability living allowance referred to earlier. There are other transfers in to Ms W's account, but they don't appear to be a form of income, so I've disregarded those.

Ms W's total expenditure was around £2,900. So it is likely that Marbles would have concluded that the required repayments for CLI six, even if the credit limit was fully utilised, would appear to be affordable as that is what I have found.

For similar reasons as I've described above for CLI six, I think Marbles should have done further proportionate checks for CLI seven.

As before, I have reviewed Ms W's bank statements for the three-months directly preceding CLI seven. My findings are broadly similar too. Ms W's income was higher, averaging around £3,800 and when taking her expenditure into account, there appears to be sufficient disposable income remaining for this increase to appear affordable.

Ms W has argued that part of her income should not be included in these assessments, specifically a monthly disability allowance being received on behalf of her daughter.

I understand Ms W's view, but having considered the circumstances in this case, ultimately I disagree. I say that because it is reasonable to expect that some of Ms W's monthly expenditure covers living expenses for her daughter. Therefore, if the outgoings include those for her daughter in my calculations, so must the income.

Therefore I conclude that Marbles weren't irresponsible, when accepting Ms W's application for the credit card.

Ms W has made two further complaint points; that Marbles sent confusing letters with regards to her being in persistent debt, and that it didn't support her sufficiently when she was in financial difficulty.

Regarding the persistent debt. I can see that Marbles wrote to Ms W in October 2023 to advise that in the previous 18 months, she had made more in interest, fees and charges, than she had repaying the credit itself. Ms W subsequently received a letter, in April 2025, advising that her account was no longer in persistent debt.

I understand the confusion, but having reviewed everything, I can see that Ms W made a significant payment after the initial letter, repaying most of the outstanding balance. So I think that Marbles applied the persistent debt rules appropriately.

With regards to providing Ms W with support when she was in financial difficulties. Ms W completed an income and expenditure assessment for Marbles to consider. There appeared to have been a delay in this being processed, leading to Marbles applying 'breathing space' to the account. This paused all interest and repayments for a defined period.

I think this was appropriate, but I remind Marbles of its obligations to treat Ms W with forbearance moving forward, and I would encourage Ms W to keep in contact with Marbles about her circumstances.

In reaching my conclusions, I've also considered whether the lending relationship between Ms W and Marbles might have been unfair to Ms W under Section 140A of the Consumer Credit Act 1974 ("CCA"). However, for the reasons I've already explained, I'm satisfied that Marbles did not lend irresponsibly when providing Ms W with the credit card or when they increased the limit, or otherwise treated her unfairly in relation to this matter. And I haven't seen anything to suggest that Section 140A of the CCA would, given the facts of this complaint, lead to a different outcome here.

Whilst I know this will disappoint Ms W, for the reasons outlined above, I'm not upholding her complaint.

My final decision

It's my final decision that I don't uphold this complaint against NewDay Ltd, trading as Marbles.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 2 April 2026.

David Barker
Ombudsman