

The complaint

Mrs H complains that Barclays Bank UK Plc trading as Barclaycard lent irresponsibly when it approved her credit card application.

What happened

Mrs H applied for a Barclaycard credit card in November 2022. In her application, Mrs H said she was employed full time with an annual income of £31,000. Barclaycard used a service provided by the credit reference agencies that monitors current account turnover to verify Mrs H's income. Barclaycard says the response confirmed a net monthly income of £1,900. Mrs H also said she was renting her home.

A credit search found Mrs H had existing credit totalling around £10,800 with monthly repayments of £324. No adverse credit, defaults, payday loans or recent missed payments were found on Mrs H's credit file.

Barclaycard completed an affordability assessment using Mrs H's net monthly income of £1,900. Deductions using estimates for Mrs H's rent and general living expenses were made. Barclaycard also made deductions for Mrs H's existing debt repayments. Barclaycard reached the view Mrs H had a disposable income of around £931 a month after her existing outgoings were met. Barclaycard approved Mrs H's application and issued a credit card with a limit of £10,000.

In November 2022 Mrs H used the Barclaycard to complete balance transfers totalling £6,600 plus fees of £196.68. The credit card came with a 0% balance transfer until May 2025. Further balance transfers in December 2022, January and April 2023 increased the balance to £8,735. Mrs H's repayments reduced the outstanding balance to around £5,000 in July 2024. In August 2024 Mrs H completed a balance transfer of around £3,000. Barclaycard reduced the limit to £7,850 in March 2025.

Mrs H has explained that in 2025 she contacted Barclaycard and explained she was going onto maternity leave leading to a drop in income. Mrs H asked Barclaycard to extend the interest free period for the credit card. Mrs H says Barclaycard refused which meant her credit card started to incur interest a short time later. Mrs H also says that when she tried to discuss her circumstances with Barclaycard via its online chat facility there were systems errors.

Mrs H complained that Barclaycard lent irresponsibly and it issued a final response on 15 August 2025. Barclaycard said it had carried out the relevant lending checks before approving Mrs H's application and didn't agree it lent irresponsibly. Barclaycard said it wasn't able to foresee a change in Mrs H's circumstances leading to financial difficulties. Barclaycard confirmed it wasn't willing to refund any interest applied to the credit card or place it on a 0% interest rate. Barclaycard also said Mrs H could contact its Financial Assistance Team to discuss support it may be able to provide.

An investigator at this service looked at Mrs H's complaint. They didn't think Barclaycard completed proportionate checks before approving Mrs H's application. The investigator

looked at Mrs H's bank statements for the three months before her application to get a clearer picture of her circumstances. They thought Mrs H's bank statements showed she was able to sustainably afford repayments to the new credit card and didn't agree Barclaycard lent irresponsibly.

Mrs H asked to appeal and said the investigator hadn't interpreted her bank statements correctly and that she had other debts and credit commitments. Mrs H also pointed out her salary wasn't £1,900 a month and that the investigator had accepted Barclaycard failed to complete proportionate checks. Mrs H added that indicators of financial difficulty were overlooked including a reliance on her existing credit. Mrs H pointed out that in March 2025 Barclaycard took the decision to reduce her limit to £7,850. Mrs H also said that she was vulnerable due to her pregnancy which was predicable and not taken into account. As Mrs H asked to appeal, her complaint has been passed to me to make a 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.

Before agreeing to lend, the rules say Barclaycard had to complete reasonable and proportionate checks to ensure Mrs H could afford to repay the debt in a sustainable way. These affordability checks needed to be focused on the borrower's circumstances. The nature of what's considered reasonable and proportionate will vary depending on various factors like:

- The amount of credit;
- The total sum repayable and the size of regular repayments;
- The duration of the agreement;
- The costs of the credit; and
- The consumer's individual circumstances.

That means there's no set list of checks a lender must complete. But lenders are required to consider the above points when deciding what's reasonable and proportionate. Lenders may choose to verify a borrower's income or obtain a more detailed picture of their circumstances by reviewing bank statements for example. More information about how we consider irresponsible lending complaints can be found on our website.

I've set out the information that Barclaycard used when considering Mrs H's application above. I know Mrs H has told us she was earning between £20,000 and £21,000 a year in November 2022 but in the application a figure of £31,000 was given. Barclaycard used a tool provided by one of the credit reference agencies that monitors current account turnover to verify the income figure Mrs H gave and that returned a net monthly income of £1,900. That figure broadly aligns with the £31,000 annual income noted in the application.

Mrs H's credit file showed she owed around £10,800 to other credit providers in November 2022. No adverse credit or recent missed payments were noted. I can see Barclaycard used monthly repayments totalling £324 a month when completing its affordability assessment.

The affordability assessment used estimates for Mrs H's rent and general living expenses in addition to her existing debt repayments. But I think the new credit limit of £10,000 meant Mrs H had access to a limit that could've essentially doubled her access to credit. Given the size of the new credit limit, I think there's a reasonable argument to say it would've been prudent to get a clearer picture of Mrs H's circumstances. One option would've been to review Mrs H's current account statements for the preceding months. I think that would've been proportionate to the new credit card with a limit of £10,000.

I've looked at Mrs H's bank statements for the three months before her application was made. I found Mrs H had a standard income of between £1,624 and £1,728. In October 2022 Mrs H received additional income from an employment agency totalling £748. Mrs H received an average income of £1,908 across a three month period.

I also looked at Mrs H's outgoings. I included items like Mrs H's existing debts, supermarket spending, car parking, direct debits and standing orders. I found average outgoings for Mrs H's essential spending that came to around £1,200. That means Mrs H had around £700 a month remaining after her existing outgoings were met. I thought Mrs H's bank statements appeared to be well administered. I didn't see regular payments for things like rent, utilities or council tax or regular transfers to cover those costs so have assumed they were being paid by another party.

In my view, Mrs H's bank statements show she had capacity to sustainably afford repayments to a credit card with a limit of £10,000.

I understand Mrs H may feel that by reaching a conclusion that proportionate checks weren't completed we should go on to uphold her complaint. But our approach seeks to consider what proportionate checks, if they had been completed, would've found. If we reach the view that more detailed checks, like reviewing bank statements, would've shown the new borrowing wasn't sustainable the complaint would be upheld. But if we think the bank statements show the new credit was likely affordable, as I have in this case, the argument that the business lent irresponsibly falls away.

So whilst I understand why Mrs H feels her complaint about the decision to approve her application should be upheld, I haven't been persuaded Barclaycard lent irresponsibly.

I can see Mrs H has concerns about how Barclaycard treated her when she contacted it before the end of the promotional interest rate. Mrs H has explained that her circumstances had changed due to maternity leave and that she was concerned about the cost of repayments. Mrs H has told us she asked Barclaycard to continue the 0% interest rate but it declined. I need to consider whether that refusal was reasonable.

Ultimately, the credit agreement Mrs H accepted only provided a 0% proportionate interest rate until May 2025. From that point, any agreement to waive or reduce interest would be outstanding the normal terms. I can see Mrs H contacted Barclaycard at the end of June 2025 to talk about the extension. But due to problems with the online chat facility meant the conversation didn't proceed. I can see Mrs H has provided screen shots she feels shows Barclaycard ended the chat. But Barclaycard's notes indicate the chat ended due to a lack of responses from Mrs H. And the screenshots Mrs H has sent us end with the message "Ended by you." It's clear something went wrong with the online chat which meant it didn't continue.

I appreciate Mrs H may feel Barclaycard should've contacted her again. But I think it's also fair to say Mrs H could've gone back to Barclaycard to continue the discussion. Barclaycard's notes and Mrs H's comments advise it had already told her the promotional interest rate couldn't be extended. But I'm satisfied there were other options available to help if Mrs H was struggling.

I wouldn't expect a business to waive interest without first verifying why a borrower is making the request and needs support. I can see Barclaycard asked Mrs H to provide copies of her bank statements so it could review her circumstances. Barclaycard's final response explains that on 25 July 2025 it asked Mrs H to provide bank statements but the copies provided weren't readable. On 8 August 2025 a request for the statements to be resent was sent but

Barclaycard says they weren't subsequently provided. I think the fact Barclaycard asked Mrs H for her bank statements shows it wanted to review her circumstances with a view to providing support. I can see that Barclaycard's final response invited Mrs H to make contact with its Financial Assistance Team to discuss what support can be provided. If Mrs H hasn't done so already, she has the option of discussing her circumstances and account with Barclaycard to see what support is available. Our website also contains details of various organisations that can provide assistance and advice.

I've considered whether the business acted unfairly or unreasonably in any other way including whether the relationship 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 Barclaycard lent irresponsibly to Mrs H or otherwise 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 decision is that I don't uphold Mrs H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 13 April 2026.

Marco Manente
Ombudsman