

The complaint

TSB Bank plc provided Mr H with a credit card on 11 January 2016. It had a credit limit of £500 which was never changed. On 22 June 2025, Mr H complained that TSB acted irresponsibly when it provided the credit card.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the reasons for my 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.

There are time limits for referring a complaint to the Financial Ombudsman Service, and TSB thinks this complaint was referred to us too late. Our investigator explained why she didn't, as a starting point, think we could look at a complaint about the lending decisions that happened more than six years before the complaint was made. But she also explained why it was reasonable to interpret the complaint as being about an unfair relationship as described in Section 140A of the Consumer Credit Act 1974 (s.140A), and why this complaint about an allegedly unfair lending relationship had been referred to us in time.

For the avoidance of doubt, I agree with our investigator that I have the power to look at the complaint on this basis. I think this complaint can reasonably be considered as being about an unfair relationship as Mr H says the credit card simply made his situation worse. This may have made the relationship unfair as he had to pay more than he could afford and was unable to reduce the debt. I acknowledge TSB still doesn't agree we can look at this complaint, but as I don't think it should be upheld, I don't intend to comment on this further.

Given what Mr H has complained about, I need to consider whether TSB's decision to lend to him, or its later actions, created unfairness in the relationship between him and TSB such that it ought to have acted to put right the unfairness – and if so whether it did enough to remove that unfairness. Mr H's relationship with TSB is therefore likely to be unfair if it didn't carry out proportionate affordability checks and doing so would have revealed its lending to be irresponsible or unaffordable, and if it didn't then remove the unfairness this created somehow.

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website, and I've taken this into account in deciding Mr H's case.

I've decided that I can't reasonably conclude that the credit was provided unfairly because:

- Due to the time elapsed, TSB is unable to provide the information it used to assess Mr H's application. I don't find this surprising as businesses aren't required by law or good industry practice to hold records indefinitely – typically, they hold data for around six years. But as TSB can't provide the details, I can't reasonably say the checks it carried out were reasonable and proportionate.

In order to see what TSB might have found at the time, we asked Mr H for his bank statements for a few months before the credit card was agreed. But unfortunately, he's not been able to provide those, so we don't have any contemporaneous evidence on which to base an investigation.

- Mr H has said the lack of evidence should place a greater burden on TSB. He says the fact that he fell into difficulty with the card, was defaulted in May 2020 and entered an IVA in 2021 (five years after the lending decision) demonstrates on balance that proportionate checks would have shown the lending to be irresponsible.

I've thought carefully about that, but I don't agree. We are an evidence-based organisation so if I don't have any evidence from either party, I can't reasonably make a finding either way. The lending decision Mr H complains about took place 9½ years before he complained, so it's not unreasonable that TSB no longer has the details and it is equally not surprising that Mr H no longer has his bank statements.

I don't think that entering an IVA five years after a lending decision is necessarily an indicator that the lending decision was unfair. In my experience, a consumer's circumstances can change in many different ways across that time period which can have an effect on their financial situation.

- Based on the information available, I can't reasonably conclude that a credit limit of £500 was likely to be unsustainable for Mr H.
- TSB has been able to provide contact notes for the credit card account. There is no evidence to suggest Mr H contacted the bank to discuss any financial difficulties until 2021 when he entered his IVA. I've not seen anything to suggest TSB acted unfairly towards Mr H in any other way.

This means I can't conclude that TSB did anything wrong when it provided the credit card to Mr H. I know this isn't the outcome Mr H hoped for, but for the reasons above, I'm not asking TSB to do anything to put things right.

My final decision

My final decision is that I'm not upholding Mr H's complaint about TSB Bank plc. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 16 March 2026.

Richard Hale
Ombudsman