

The complaint

Mr B complains that Nationwide Building Society (Nationwide) acted irresponsibly when they agreed to lend to him.

What happened

In October 2025, Mr B successfully applied for a credit card with Nationwide with a credit limit of £1,350. Mr B says he thinks this lending was irresponsible as he'd obtained over £40,000 of debt in the year leading up to the complaint and thought this ought to have prompted Nationwide to find the lending was not sustainable. He says this contributed to his trading and gambling addictions.

Nationwide didn't find that the lending was irresponsible. They say that they reviewed the information provided in the application, carried out an affordability check and did a credit check using Credit Reference Agency (CRA) data. While Mr B had unsecured lending elsewhere, they did not think the level of external credit at the time was sufficient to prevent lending.

Mr B wasn't happy with Nationwide's response and referred his complaint to us. Our investigator said that the checks carried out were reasonable and proportionate and they thought the lending was fair. Nationwide didn't dispute this position, but Mr B did. In summary, he said he didn't have a stable income prior to lending and the affordability assessment was not correct.

Ultimately a resolution was not made and Mr B asked for an ombudsman to decide on the matter. So, the case 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.

I've considered what both parties have said about Mr B's lending with Nationwide. Having carefully considered everything, I think that Nationwide acted fairly and reasonably.

The relevant rules, regulations, and guidance at the time of Nationwide's lending decision required them to carry out proportionate checks. While there isn't a defined list of checks a lender needs to carry out, such checks should be proportionate, considering things like the type, amount, duration and total cost of the credit, as well as the borrower's individual circumstances. These checks needed to assess Mr B's ability to afford the lending being approved and to be able to repay it sustainably, without causing him financial difficulties or harm.

It isn't sufficient for Nationwide to just complete proportionate checks, they must also consider the information obtained from these checks to make fair lending decisions. I've considered the checks Nationwide did and what they found from these checks.

Mr B declared that he was employed full time with an annual income of £27,000. He said he lived with his parents and had no expenses relating to rent or a mortgage. Mr B says his income was not stable, however, I think that it is reasonable that Nationwide were able to rely on the income Mr B had declared, particularly considering the level of lending. Nationwide reviewed Mr B's CRA data which showed that there were no recent defaults or missed payments, and that his external credit was being managed well.

CRA data showed Mr B had around £25,000 in unsecured borrowing at the time. Mr B says that he had a higher level of debt than this. Having reviewed his credit file, Mr B also had a secured hire purchase agreement with required payments of around £250 per month. There was also some lending which took place soon before the card was offered which may not have appeared on his credit file at the time of lending. On balance, I think that the figure of unsecured debt which Nationwide considered is reasonable based on the information which would have been available at the time. The account was opened with a 0% interest offer for the first three months.

Using the information given by Mr B in his application form and information from CRA data, Nationwide found that Mr B had an estimated disposable income of around £640 per month. Based on the circumstances of this case, including the level of disposable income, relatively low level of lending and the initial promotional offer, I'm satisfied that the checks which Nationwide carried out were reasonable and proportionate to satisfy themselves that Mr B would be able to sustainably repay the borrowing.

I also have to consider if, based on the information within these checks, the information was considered fairly. Nationwide found that although Mr B's level of external lending was high, this was being well managed and wasn't so high that new lending was unaffordable. Mr B had declared living at home with limited expenses, and the amount of disposable income which he was found to have was sufficient to be able to afford to sustainably repay the level of credit offered. Taking all of this into account, I thought that the decision to lend was fair.

At the time of the complaint, Mr B's balance was on a promotional 0% interest rate and hadn't attracted any interest charges. There was no record of the account being overlimit or delinquent. I don't think there was anything prior to Nationwide's final response letter that means they ought to have taken further actions here. But I would also expect Nationwide to show forbearance if Mr B gets in touch with them regarding any difficulties with the repayments towards the account, such as a temporary payment arrangement if suitable.

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

My final decision

For the reasons given above, I do not uphold this complaint against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 7 May 2026.

Frances Kerslake
Ombudsman

