

The complaint

Mrs H complains that MBNA Limited provided her with unaffordable credit cards.

What happened

MBNA provided Mrs H with two credit cards on the terms I've set out in the table below:

Account	Date	Event details	Credit limit
Ending 7475	March 2016	Original credit limit	£7,800
Ending 0997	October 2016	Original credit limit	£6,500
Ending 0997	May 2017	1 st credit limit increase	£7,500
Ending 0997	November 2018	2 nd credit limit increase	£10,000

**Since 2020 MBNA has reduced the credit limits on both accounts on a number of occasions, with the limits at the time of its submissions to this service standing at £900 and £550*

Mrs H complained to MBNA in April 2025 about unaffordable lending, saying proportionate checks would have led to it identifying the original lending and credit limit increases weren't affordable for her. Mrs H says MBNA made unfair lending decisions which have impacted her finances over a number of years.

MBNA issued a final response letter in May 2025 in which it didn't uphold the complaint. It said its checks had been proportionate and that it had fairly provided Mrs H with this lending. Unhappy with MBNA's response Mrs H referred her complaint to our service for review.

When MBNA provided our service with its business file it said it didn't consider this was a complaint our service could review. It said this because it considered Mrs H had raised her complaint about the lending events outside of the regulatory timescales for complaining.

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 Mrs H's relationship with MBNA. As such they went on to review the details of the complaint on this basis. Having done so, they didn't consider MBNA had acted unfairly in its lending decisions, or in any other way during the provision of these credit agreements, so they didn't uphold the complaint.

MBNA didn't respond to our investigator's view; Mrs H responded and disagreed. In summary, she maintained her position that had MBNA completed proportionate checks it would have identified she was already overindebted and that this further lending wouldn't be sustainably affordable for her. Mrs H also pointed to evidence she'd provided within her submissions which in part dated back to some of these lending events, and said this showed her already financially distressed situation around the time of these lending decisions.

Mrs H 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 Mrs H and MBNA, 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. Instead, I've purposely focused my decision on what I consider to be the key points of this complaint. I don't mean to be discourteous to Mrs H or MBNA by taking this approach, but this simply reflects the informal nature of our service.

Initially I think it's helpful for me to set out that there are time limits for bringing a complaint to our service, and MBNA has said Mrs H's complaint has been made late. Our investigator set out within their view why they didn't think we could look at a complaint about MBNA's lending decisions, because it had been made more than six years after each of the lending events. But they also went on to explain why it was reasonable to interpret Mrs H's complaint as being about an unfair relationship as described in section 140A (s.140) of the Consumer Credit Act 1974 (CCA); and why they therefore considered Mrs H's complaint about an allegedly unfair lending relationship had been made to us in time.

I don't intend to go into the same level of detail in my decision here that our investigator already set out, but for the avoidance of doubt I agree with our investigator that I have the power to look at Mrs H's complaint on this basis. I say this because I'm satisfied Mrs H's complaint is that MBNA provided her with lending which was unaffordable.

The provision of these credit cards may have made the relationship between Mrs H and MBNA unfair, as she may have paid more in interest and charges than she could afford. I acknowledge MBNA doesn't agree we can look at any events more than six years before Mrs H'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 Mrs H's complaint is about the fairness of her relationship with MBNA, 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 MBNA) and the debtor (Mrs H), 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. MBNA has confirmed the credit relationship is ongoing. So, I'm satisfied I can consider Mrs H's complaint about an unfair relationship.

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 Mrs H's complaint, I need to consider whether MBNA's decisions to lend to her, or any other actions it may have taken, created an unfairness in the relationship between her and MBNA; and if it did, whether MBNA 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 followed this approach when considering Mrs H's complaint.

Some of the information in this case is limited, especially details around the checks and data MBNA obtained before making its lending decisions. I don't consider this unreasonable given the time that's passed and the data retention obligations on MBNA; but it does mean I can't be reasonably satisfied that it completed proportionate.

As such I've taken into account the evidence Mrs H has been able to provide from around the time of these lending events. This includes payslips, bank statements and a credit file from early 2018.

I'm not suggesting that MBNA needed to have specifically considered these individual items of evidence in order to have completed proportionate checks; but in the absence of any other contradictory information, I consider it's reasonable for me to review these documents to determine what better checks at the time would more likely than not have shown MBNA.

Given the dates of the various documents, the information I have available to consider for the lending decisions in 2016 and 2017 consist of some payslips and historic information evident within the credit file dated early 2018. Having considered this limited evidence, I've not been presented with anything which leads me to conclude the repayment of these credit limits wouldn't be affordable for Mrs H.

The payslips I've reviewed show Mrs H was earning a relatively consistent monthly income in the lead up to the 2016 credit limits being provided. The only payslip Mrs H has provided for 2017 is dated June, after the credit limit increase was provided in May. While I acknowledge this evidence a lower wage due to a change in Mrs H's personal circumstances; this is evidence from after the event, and I therefore don't find it reasonable for me to consider it as being representative of Mrs H's income in the lead up to the 2017 lending decision.

I acknowledge Mrs H's comments that she was overindebted at the time of MBNA's lending, and that she says her credit file provides evidence of this. However, the credit file doesn't present any information which I consider ought to have been overly concerning to MBNA.

Mrs H was largely managing her credit accounts well up to the report being obtained in early 2018. It shows that her total revolving credit utilisation was less than 50% of the available limits, and while I acknowledge the presence of non-revolving debt, the evidence suggests Mrs H's total outstanding debt wasn't at an overly concerning level, given her evidenced yearly income. The majority of Mrs H's credit accounts were longstanding, therefore not suggesting she was actively seeking new lines of credit in the recent lead up to this credit file being obtained, which could suggest possible financial difficulties.

I acknowledge the presence of payday and instalment lending, but the latest instances of these were historic, more three years prior to MBNA's first lending decision. So, I don't consider these were representative of Mrs H's updated financial circumstances.

I've also taken into account that Mrs H took advantage of promotional balance transfer and money transfer offers with both of these accounts, therefore benefitting, at least initially, by consolidating debts from other lenders.

The bank statements Mrs H has been able to provide are only relevant to the credit limit increase in 2018. While Mrs H's income is evident across these statements, as well as some regular commitment to what appear to be non-discretionary expenditure and credit commitments, she has confirmed that the majority of her bills were debited from another account. While Mrs H has provided testimony as to the amount she would transfer to cover these bills and other payments, she can't provide documentary evidence of these other commitments in the lead up to this limit increase, as other account statements evidencing more of Mrs H's non-discretionary expenditure are all from after this lending event; and I've already set out above that I don't find it would be reasonable for me to consider evidence from after the event.

Essentially, while Mrs H has been able to provide evidence of payslips, bank statements and an historic credit file; each piece of evidence covers different timeframes, and ultimately it either doesn't persuade me – based on the information I can obtain from it and what I therefore consider MBNA would more likely than not have identified through better checks at the time – or it doesn't provide me with enough information, to reasonably conclude that Mrs H wouldn't be able to afford these credit limits.

So, for the reasons I've set out above I'm not persuaded that MBNA acted unfairly when providing Mrs H with these credit cards and credit limit increases.

I've gone on to consider if MBNA has acted unfairly in any other way during this relationship.

The contact notes MBNA has provided as well as other evidence show Mrs H applied for multiple credit limit increases across the years, with the large majority being declined. This suggests to me that MBNA was assessing Mrs H's affordability at each request and in these instances concluded it wouldn't be responsible for it to provide her with further credit.

I've also seen that Mrs H's accounts have been managed by MBNA's collection and recoveries team at times, and that it has taken steps across the years to reduce Mrs H's credit limits on both accounts, from 2020 onwards. As it stands both accounts have credit limits below £1,000. I consider this shows that MBNA acted on signs of increased risk and financial vulnerability, and mitigated potential financial difficulties and financial loss for Mrs H by taking these steps.

So, for the reasons I've set out above I don't think MBNA lent irresponsibly to Mrs H, or has otherwise treated her unfairly.

I acknowledge my decision will likely be disappointing to Mrs H. I don't doubt the testimony she's provided about her historic and current financial situation. But for the reasons set out above, it follows that I'm not directing MBNA to take any further action in resolution of this complaint.

I would, however, remind MBNA of its ongoing obligations in treating Mrs H fairly and sympathetically in any communication it has with her in relation to the ongoing provision of these credit agreements, given Mrs H's financial circumstances which it is aware of.

My final decision

My final decision is that I don't uphold Mrs H's complaint about MBNA Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 29 April 2026.

Richard Turner
Ombudsman