

The complaint

Mr C has complained that EE Limited (EE) unfairly declined his application for credit and did not provide a reason why.

What happened

In July 2025, Mr C Applied for a credit agreement to acquire a mobile phone. EE has said the application took place in store and that it was declined.

Unhappy with this, Mr C asked EE why his application had been declined. EE said *'Like all lenders; we have various criteria we need to consider for credit eligibility. Our decision to accept or decline an application is based on a combination of factors; including information held by Equifax and/or Experian; as well as the information supplied by applicants. While we have reviewed your application again following your query; we are unable to overturn our decision.'* It went onto provide details of the three main credit reference agencies.

Unhappy that EE did not provide a reason for his application being declined, Mr C raised a complaint. In response EE acknowledged Mr C's desire to have a clearer explanation, but explained its credit scoring policies needed to remain confidential. It said it wasn't able to go into the specific reasons for declining the application.

Unhappy with this response, Mr C referred his complaint to this service for an independent opinion. One of our Investigators considered the complaint. She said that EE was free to determine its own lending criteria, something this service was unable to interfere with and that it wasn't obligated to lend money. She acknowledged that Mr C had provided evidence of his high credit score, but said this did not guarantee that his application would be accepted, given that EE take various factors into consideration. She went onto say that lenders weren't required to provide specific reasons for declining an application as it was commercially sensitive and that EE was unable to provide a written application, as it was completed verbally. She said she wasn't persuaded that EE made a mistake.

Mr C didn't agree. He said that he had a right under the Equalities Act not to be discriminated against. He surmised that had his spending pattern been a concern, EE could have asked for a higher deposit, instead of declining his application. He raised concerns that EE were unable to provide a copy of the application, as he said it was completed electronically and queried how our Investigator could be sure EE applied its criteria correctly without a record of it. He said that without evidence of an affordability concern, he feels the only explanation would seem to be unlawful discrimination.

Our Investigator reconsidered and explained that she saw no reasonable grounds to suggest that EE had input incorrect information into the application which led to the application being declined. As an agreement couldn't be reached, the complaint was passed to me to decide.

I issued a provisional decision as I reached a different outcome to our Investigator. In that I said:

"I've considered all the available evidence and arguments to decide what's fair and

reasonable in the circumstances of this complaint.

Where evidence is incomplete, inconsistent or contradictory, as some of it is in this case, then I've based my findings on the balance of probabilities, i.e. what I think is most likely in the circumstances of this complaint.

I'll start by explaining that our Service is unable to make a finding on whether something amounts to discrimination under the Equality Act 2010. That's because we're an informal alternative to the Courts. Only a Court of law can make a legal finding based on the definitions set out in the Act. I know Mr C will be disappointed by this, but I can only make a decision in line with the powers we have.

In considering what's fair and reasonable, I need to have regard to the relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time.

My summary above and comments below will focus on what I consider to be the key points to this complaint. Whilst I've considered everything in detail, if I don't comment on a particular point, it's because I don't feel that I need to in order to reach a fair answer on this complaint. It's not meant as a discourtesy, but instead it reflects the informal nature of this service.

Whilst I don't have as much information as I'd like about the lending product Mr C applied for, I'm satisfied his application was for a regulated credit agreement. As such, this service is able to consider complaints relating to it.

The crux of this complaint is that Mr C is unhappy that EE did not provide him with the reason why his application was declined. I can understand Mr C's strength of feeling, the concern he had and the frustration caused when he wasn't provided with the information he asked for, especially in light of the information he provided about his credit score. It's not for this service to tell a business it should have approved an application for credit and instead a business is free to decide who they lend to, provided that they do so fairly. My role is to think about whether EE treated Mr C fairly.

EE has been unable to provide a copy of Mr C's application, as it said it was carried out in store verbally. I have tried to find out more about what happened, but EE has reconfirmed it is unable to provide a copy, or any further information about the application. Whilst I appreciate that Mr C disputes the application was carried out verbally, neither he nor EE are able to produce a copy of the application. Mr C suggested that a mistake may have been made during the application process, but this isn't something he or EE have been able to evidence, so I'm not persuaded that this is what happened.

Mr C says he feels EE has discriminated against him given EE is unable to explain why it declined his application. I can understand why Mr C feels this way but having looked at all the information provided, I'm not persuaded EE has acted unfairly or unreasonably in declining the application. It's unfortunate that EE is unable to produce a copy of the application to see what information it considered, but I can't force it to produce information it simply doesn't have.

EE has a responsibility to provide consumers with the information they need, at the right time, in a way they can understand, to enable them to make informed decisions and to pursue their financial objectives. In this case, I think that would have entailed

EE providing Mr C with the primary reason for declining an application for credit, thereby giving him a better understanding of why his application was declined. Having reviewed the information provided, I'm not persuaded that EE did so.

EE has explained to Mr C that it considers various factors, including information held by the credit reference agencies and the information supplied by customers, when considering an application. This explanation did not include the reason why Mr C's application was declined, something that I think EE could have provided without revealing its credit scoring policies, which would have given him a better understanding of what he needed to do to meet his financial objectives. Whilst I acknowledge that EE shared the details of the credit reference agencies, to enable Mr C to obtain a copy of his credit file, I don't think this gave Mr C any further understanding as to why his application was declined.

I asked EE if it could now provide the reasons why it declined Mr C's application and it said it did not have this information stored within its records. I appreciate that this will come as a disappointment to Mr C, but I'm unable to force EE to provide reasons, especially given it says it doesn't hold this information to share and so I've thought about the impact this has had on Mr C.

Mr C reached out to EE on several occasions to query why his application was declined and he said that not being provided with an explanation caused him distress and worry. He said that after contacting the credit reference agencies, and due to EE's dismissive responses and unwillingness to help, he remained agitated. I'm sorry to hear about the impact this had had on Mr C, something that I think could have been avoided, had EE provided Mr C with more information at the time, enabling him to pursue his financial objectives. Mr C feels that EE's actions go beyond poor customer service. He felt discriminated against. I can understand why Mr C feels this way, and I do think EE hasn't quite grasped how its actions have made Mr C feel. It has clearly caused Mr C upset and inconvenience, and I think it would be fair for EE to pay Mr C £100 compensation to recognise this.

Putting things right

Overall, my intention is to say that EE has caused Mr C avoidable upset and inconvenience, by not providing him with more information about why his application was declined. To put things right, I intend to say that EE should pay Mr C £100 compensation."

Mr C accepted and EE did not respond. As the deadline for a response has now passed, the complaint has been passed back 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.

As no further information has been provided, I've not seen anything to cause me to depart from the conclusions I reached or add to what I've already said.

It follows then my final decision is the same as my provisional decision above.

My final decision

My final decision is that I direct EE Limited to pay Mr C £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 30 March 2026.

Daniella Roberts
Ombudsman