

## **The complaint**

Miss M complains that Vanquis Bank Limited (“Vanquis”) irresponsibly lent to her.

## **What happened**

In April 2024 Miss M applied for a credit card with Vanquis. The application was accepted, and Vanquis provided Miss M with an initial limit of £1,200.

In August 2024 Vanquis increased the limit to £1,500. There were no further increases after this and the limit remained at £1,500 at the time of the complaint.

Miss M complained to Vanquis in 2025. She says Vanquis shouldn’t have approved the credit card because proportionate affordability checks weren’t carried out and the repayments were not affordable. She’s asked that Vanquis refund interest and charges, remove negative information from her credit file, and close the account.

Vanquis issued a final response letter on 8 October 2025, rejecting Miss M’s complaint. They said they completed credit reference agency (CRA) checks which showed Miss M had no negative information. They also validated the income details that she had given in her application.

Miss M was unhappy with this and referred the matter to this Service.

Our investigator didn’t uphold the complaint, concluding that Vanquis completed reasonable and proportionate checks and made a fair lending decision. Miss M didn’t agree and raised further points, believing the checks didn’t correctly reflect her salary or financial difficulties she was experiencing. She says that she was in a vulnerable position and this has caused anxiety and impacted her mental wellbeing.

Because an agreement couldn’t be reached, 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.

Having done so, I’ve reached the same outcome as the investigator. I know this is likely to disappoint Miss M, so I’ll explain why.

I’ve kept in mind the regulator’s rules and guidance on responsible lending (set out in its Consumer Credit Sourcebook – CONC) which lenders, such as Vanquis, need to abide by. Vanquis will be aware of these, and our approach to unaffordable/irresponsible lending complaints is set out on our website. I’ve used this approach to help me to decide Miss M’s complaint. I won’t refer to the regulations in detail here but will briefly summarise them.

The rules and regulations meant that Vanquis needed to carry out a reasonable and proportionate assessment to make sure Miss M could afford to repay what she owed in a

sustainable way. Being able to sustainably repay credit means that they needed to consider whether she could make the repayments without undue difficulty, while being able to meet any other commitments and without having to borrow further.

There isn't a 'set list' of checks that lenders must complete, but they must be proportionate to the type of credit, (the amount borrowed or the term, for example) and suited to the consumers circumstances (such as their financial history, current situation and outlook, any indications of vulnerability or financial difficulty), in order to treat them fairly. The checks needed to be borrower focused—so Vanquis had to think not just about the likelihood of them getting the funds back, but about the impact making the repayments would have on Miss M.

I've reviewed the information Vanquis obtained when assessing the application and considered whether their checks were sufficient to satisfy them that Miss M would be able to meet the repayments without adverse consequences. I've also considered whether, if those checks were reasonable and proportionate, the lending decision itself was fair.

### Account opening

Vanquis used information provided by Miss M along with data obtained from the Credit Reference Agencies (CRA's), when assessing her application.

Miss M declared an annual income of £23,500, and the CRA data showed unsecured debts of around £20,213 with monthly repayments of about £286. At the time of the application, she had no defaults or county court judgements (CCJ's) and instances of late payment were recorded more than five years earlier.

I believe the checks Vanquis carried out were proportionate, and considering the amount being provided to Miss M, and the information they gathered in these checks, I don't think they acted unfairly when providing her with the credit card. I say this because it was for a relatively modest amount of £1,200, and although there were some signs of financial difficulty in the past, everything in recent months had been much improved. It wouldn't be a significant cost for Miss M to repay this credit in a reasonable period of time based on her salary and existing credit commitments.

I've also considered Miss M's concerns about the accuracy of the income figure and her view that further checks—such as reviewing payslips or bank statements—should have been carried out. However, the income information Vanquis used was consistent with the CRA data, and for lending of this type it is reasonable for lenders to rely on automated checks rather than manually verifying income. So, I'm satisfied that Vanquis's checks were reasonable and proportionate.

### Credit limit increase

As well as external information obtained from CRA's, Vanquis now also had Miss M's account management to assess whether or not the increase was affordable for her.

The CRA data showed Miss M's external debt had not increased significantly and her account with Vanquis was being managed well. There was nothing in the credit report or her account history to suggest she was experiencing any problems with managing her borrowing. There was one late payment, but I don't think this would have been a reason for Vanquis to decline further lending or carry out additional checks. Late payments alone aren't necessarily a sign of financial difficulties. Miss M wasn't using the credit card up to its limit, and she was making payments above the minimum amount in the period leading up to the credit limit increase, which would indicate she was managing the account appropriately at

that time.

So, it follows that I think Vanquis's checks were proportionate and a fair decision to lend was made at the point of increase too.

I've also carefully considered what Miss M has said about her vulnerability and the impact this may have had on her. And I thank her for sharing sensitive information about her circumstances. I'm sorry to hear how difficult things have been for her, and I appreciate how financial pressures can make things feel even harder. While I'm sympathetic to the difficulties that she has described, Vanquis's notes show they first became aware of these challenges in September 2025 and there's nothing to suggest they could have known earlier. So, I wouldn't have expected the lender to have reasonably known that Miss M was vulnerable at the time of lending or limit increase, or to have taken any additional steps because of it.

In reaching my conclusions, I've also considered whether the lending relationship between Miss M and Vanquis might have been unfair to Miss M under s140A of the Consumer Credit Act 1974 ("CCA"). However, for the reasons I've already explained, I'm satisfied that Vanquis did not lend irresponsibly when providing Miss M with the credit card, or by increasing her credit limit. And I haven't seen anything to suggest that s140A of the CCA would, given the facts of this complaint, lead to a different outcome here.

So, while this will likely be disappointing for Miss M, I won't be upholding her complaint against Vanquis for the reasons I've explained above. I would however remind Vanquis of their ongoing obligation to treat Miss M fairly, and with forbearance.

### **My final decision**

I don't uphold this complaint against Vanquis Bank Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 21 April 2026.

Alison Wharton  
**Ombudsman**