

The complaint

Sainsbury's Bank Plc provided Mr H with a credit card in 2018. It had a credit limit of £3,000. Mr H says the credit was provided irresponsibly.

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.

Having done so, I'm not upholding Mr H's complaint. I'll explain my reasoning below:

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 the credit was provided fairly because:

- I don't think the checks Sainsbury's did before providing the credit were reasonable and proportionate, because it didn't take any steps to verify Mr H's income. But if Sainsbury's had done proportionate checks, I don't think it's likely these would have shown it was unfair to provide the credit to Mr H.
- Based on the information Mr H has provided about his circumstances at the time, there was nothing to suggest he was likely to be unable to sustainably repay what he was being lent.
- Mr H's bank statements, in the three month period directly preceding his application for the credit card, show an average net monthly income of around £3,100 which was broadly in line with the income he declared. Using those same statements, his monthly outgoings for committed, non-discretionary expenditure averaged around £2,300 per month.
- Due to the length of time since the application, Sainsbury's have been unable to evidence the full results of their credit checks, except to say that Mr H had existing debt of around £10,000, excluding any mortgage, and no adverse markers were reported. There is nothing contained in Mr H's bank statements that would cast doubt on this.
- If Sainsbury's had performed further checks, it is likely that it would have concluded that the required repayments for this credit card, even if the credit limit was fully utilised, would appear to be affordable, as that is what I have found.
- I don't think Sainsbury's acted unfairly in any other way.

This means I don't think Sainsbury's did anything wrong when it provided the credit card to Mr H.

Mr H has argued that only reviewing bank statements for a three-month period isn't sufficient for an affordability assessment, when considering the need to understand whether the repayments are sustainable.

In the circumstances of his case however, I am satisfied that it is sufficient. I have considered his income and expenditure within that period, along with what Sainsbury's have said about the credit checks and there is nothing to indicate financial difficulties.

Mr H has made a number of other points to this service to further his case. I'm not going to comment on every point made, and I mean no discourtesy by this. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it, I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is a fair outcome.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Sainsbury's lent irresponsibly to Mr H or otherwise treated him unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Mr H hoped for. But for the reasons above, I'm not asking Sainsbury's to do anything to put things right.

My final decision

My final decision is that I'm not upholding this complaint about Sainsbury's Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 13 April 2026.

David Barker
Ombudsman