

## The complaint

Mr H complains that NewDay Ltd ('NewDay') irresponsibly granted him 3 credit card accounts he couldn't afford to repay.

## What happened

- NewDay provided Mr H with an Aqua credit card in May 2020, with an initial credit limit of £450. Then, between September 2020 and October 2021, the credit limit was increased 4 times, going from £1,200 to £5,200.
- NewDay also provided Mr H with a Marbles credit card in October 2021, with an initial credit limit of £1,200. Then, between February 2022 and July 2025, the credit limit was increased 3 times, going from £2,200 to £4,100.
- Finally, NewDay agreed to grant Mr H a further Aqua credit card in July 2021 with an initial credit limit of £1,200. In June 2025 the credit limit was increased to £2,700.

## *Investigator's outcome*

Our investigator didn't think NewDay had acted unfairly or unreasonably in agreeing to grant the credit, or the increases that followed.

As Mr H doesn't agree, his complaint has been passed to me for a 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.

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'd like to reassure Mr H that I've looked at his complaint afresh and have independently reviewed all the available information, including what he's told us in response to our investigator's view. Having done so, I am not upholding this complaint for broadly the same reasons as our investigator. I'll explain why, referring to each card in the order in which they were opened.

### *Aqua Card – account number 8115/5195*

I think the checks NewDay did before providing the opening credit were reasonable and proportionate given the credit limit it offered and what it knew about Mr H's financial situation. The credit reference agency check showed he didn't have any recent adverse markings on his credit file. NewDay also used statistical information to provide an affordability assessment. Once NewDay had worked out his typical living and housing costs and monthly credit repayments elsewhere, the opening credit looked to be affordable. From

what I've seen I agree that the new account was therefore something he'd be able to repay sustainably.

Turning to the credit limit increases, I've focused on the first and fourth increases, given that Mr H didn't use his card beyond the first increase up to the time he was given the fourth one. So he couldn't have lost out due to the second and third increases.

I've looked at the available information NewDay gathered about how Mr H had been using his account as well as his wider financial circumstances before it granted the fourth increase. I've noted that the credit file didn't suggest he was having problems with his credit elsewhere and his income remained consistent, leaving him with enough disposable income to at least meet the required monthly payment whilst still meeting his committed expenses and housing costs.

Based on the information NewDay gathered and what it knew about Mr H's circumstances, I therefore don't think there was enough to show or suggest that Mr H was likely to be unable to sustainably repay what he was being lent, either at the outset or when increasing his credit limit.

I'm therefore in broad agreement with what our investigator found and don't consider NewDay ought to have been prompted to do better checks than it did. It therefore made lending decisions that were fair.

#### *Marbles Card – account number 0731*

I think the checks NewDay did before providing the opening Marbles credit card were again reasonable and proportionate given the credit limit it offered and what it knew about Mr H's financial situation, including the credit he owed elsewhere and his typical monthly spending. And I think the decision made to lend was again fair based on what NewDay saw.

I've reached the same finding about the two credit limit increases, looking at the information NewDay gathered and the decision it made based on that. I haven't seen enough to make me think that Mr H looked to be in financial difficulty or that his financial situation looked as if it might be at risk of deteriorating. I've noted the late payment fee in June 2022, before the second increase, which on its own isn't enough to make the August 2022 increase potentially unaffordable and therefore requiring further checks.

It follows that, based on the information NewDay gathered about Mr H's circumstances, I don't think the decision to grant this card, or go on to increase the credit limits, were unfair.

#### *Second Aqua Card – account number 6473*

I think the checks NewDay did before providing Mr H with this second Aqua credit card in July 2023 were again reasonable and proportionate, given the credit check and affordability check evidence I've seen and what NewDay therefore knew about Mr H's financial situation. Allowing for what he earned and his estimated monthly spending it was likely he still had a good amount of disposable income. There was nothing to suggest he was likely to be unable to sustainably repay what he was being lent.

And having looked at the checks NewDay did before providing the increase in June 2025, which included how he'd been using the account, there again wasn't sufficient evidence of recent financial difficulty to suggest he'd struggle to repay the increased credit.

I've also looked at whether NewDay ought to have done more to help or support Mr H over the time he was using these accounts. Having done so, I don't think NewDay ought to have done more than it did.

I've looked at what Mr H has said in response to our investigator's view letter. I agree that NewDay was entitled to rely on the information the credit reference agencies provided at the time of each lending decision. Mr H suggests that this was inaccurate. If it was, there isn't a practical way that NewDay could have known this. In terms of his income, NewDay was again entitled to rely on what Mr H told them, alongside the results from the credit reference agency. Here, I wouldn't have expected NewDay to carry out further checks than it did, given that there wasn't enough to suggest that Mr H might have been over-extending his borrowing capability. That's not to suggest that there weren't occasions when he may have felt financially stretched and had to be careful with his spending.

I'm therefore in broad agreement with what our investigator has found about these three cards and so I don't consider NewDay ought to have been prompted to do more than it did before lending or that it made unfair lending decisions.

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 New Day 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 don't think NewDay needs to do anything more to put things right.

### **My final decision**

My final decision is that I'm not upholding this complaint.

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

Michael Goldberg  
**Ombudsman**