

The complaint

Miss R complains that NewDay Ltd trading as Marbles irresponsibly lent to her.

What happened

Miss R was approved for a Marbles credit card in October 2022, with a £900 credit limit. Miss R says that this was irresponsibly lent to her. Miss R made a complaint to Marbles, who did not uphold her complaint. Marbles said that their creditworthiness assessment showed that Miss R had enough money coming in each month to cover her repayments comfortably. Miss R brought her complaint to our service.

Our investigator did not uphold Miss R's complaint. He said that Marbles checks were proportionate and that they made a fair lending decision. He said although Miss R was in financial difficulty shortly after the lending was approved, this doesn't mean the initial lending was unaffordable.

Miss R asked for an ombudsman to review her complaint. She made a number of points. In summary, she said that at the time of her application she was managing existing credit commitments and overdraft usage, she told us about her mental health conditions which should have been considered as part the lending assessment. Miss R said that she informed Marbles of her financial difficulty, and they did not take adequate or proactive action. She said that Marbles did not consider the practical affordability issues at that time and her vulnerabilities.

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.

Before agreeing to approve the credit available to Miss R, Marbles needed to make proportionate checks to determine whether the credit was affordable and sustainable for her. There's no prescribed list of checks a lender should make. But the kind of things I expect lenders to consider include - but are not limited to: the type and amount of credit, the borrower's income and credit history, the amount and frequency of repayments, as well as the consumer's personal circumstances. I've listed below what checks Marbles have done and whether I'm persuaded these checks were proportionate.

Marbles said they looked at information provided by Credit Reference Agencies (CRA's) and information that Miss R had provided before approving her application. The information showed that Miss R had declared a gross annual income of £18,950 which Marbles calculated this to be a net monthly income of £1,430.30.

The information from the CRA showed that Miss R had not been in arrears on her active accounts in the six months prior to her application. The checks showed she had not entered into any repayment plans on any of her active accounts, she had no County Court Judgements being reported by the CRA, and she had no payday loans at the time of the checks, or any defaulted accounts.

A CRA reported that Miss R had a debt to gross annual income of 99.46%, which would have equated to around £18,847.67. While Miss R's debt to income was high, Marbles received information from the CRA as to how much Miss R's monthly credit commitments were, and they completed an affordability assessment to assess Miss R's disposable income.

Marbles used information from Miss R such as her income, information from a CRA such as her monthly credit commitments, and they also used modelling to calculate Miss R's other monthly expenditure, which is an industry standard way of assessing expenditure. Marbles calculated that Miss R had enough disposable income to comfortably meet her repayments for a credit limit of £900.

While Miss R has said that the affordability assessment did not reflect the practical affordability issues at that time, Marbles are not required by the regulator to request further evidence such as pay slips or bank statements for each lending decision they make, as this would not be proportionate.

In the absence of any recent adverse credit file information at the time of the lending checks, it wouldn't have been proportionate for Marbles to have completed further checks here such as requesting Miss R's bank statements.

Miss R has said that Marbles didn't consider her vulnerabilities. But I can't see that she informed Marbles of her mental health conditions prior to the lending, only after the account had been approved, therefore I can't fairly say that Marbles would have been aware of Miss R's mental health conditions.

So I'm persuaded that Marbles made a fair lending decision to approve Miss R's application for the Marbles account and provide her with a £900 credit limit.

Although Miss R may have informed Marbles of financial difficulties shortly after the lending had been approved, this doesn't equate to Marbles' original checks not being proportionate, or them not making a fair lending decision for the reasons I gave earlier in this section, as Miss R's future financial difficulty wouldn't have been foreseeable to Marbles at the time they approved the account, especially as there were no missed payments showing or any other recent adverse information.

Miss R has said that Marbles were reactive as opposed to proactive, and I agree with this when the account was shortly opened. But I wouldn't have expected Marbles to have acted prior to Miss R contacting them, as a month hadn't gone by since the overlimit and late fees were incurred. Miss R also made a payment that month, so it wouldn't be clear yet whether the account was being mismanaged or whether Miss R genuinely had financial difficulties at this time.

But Marbles did show forbearance to Miss R as they put a payment holiday in place for her. And Marbles said they contacted Miss R on 6 April 2022. I can see that Miss R made repayments totalling £68.71 this month, and the payment holiday ended.

Miss R also kept making repayments each month. I can see that she incurred a late payment and overlimit fee in June 2023, but it appears these were oversights as these were refunded in July 2023.

Marbles also selected Miss R for interest rate relief in July 2023, so I do think they were proactive here. Marbles say that Miss R opted into this on 3 August 2023, and I can see that the interest rate more than halved.

Miss R contacted Marbles in August 2024, to let them know her hours had been reduced. So this could not have been foreseeable to Marbles, and it would have required Miss R to contact them. But Marbles set up another plan for her for three months, during which time a debt management charity contacted Marbles on Miss R's behalf and a new plan was later set up for £5 a month. No interest or fees have been charged since August 2024 from when Miss R notified Marbles of her change in circumstances.

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 can't conclude that Marbles lent irresponsibly to Miss R or otherwise treated her unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here. So it follows I don't require Marbles to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 12 May 2026.

Gregory Sloanes
Ombudsman