

The complaint

Mrs H complains that MBNA Limited irresponsibly provided her with a credit card and credit limit increases which she says were unaffordable for her.

What happened

MBNA provided Mrs H with a credit card with the following details:

Date	Lending Decision	Credit Limit
January 2017	Original limit	£3,400
March 2018	1 st credit limit increase	£6,800
February 2021	2 nd credit limit increase	£7,200*

**MBNA has evidenced that the second credit limit increase wasn't utilised as the card balance never went above £6,800*

Mrs H complained to MBNA in April 2025 about irresponsible lending. She said that MBNA had provided this credit card and the credit limit increases irresponsibly, as she had a low income and a high level of existing debt. She also said her utilisation of the credit card was high and that she only ever made payments around the contractual monthly minimum. Mrs H says better checks ought reasonably to have led MBNA to have identified this information, and to have concluded that this lending wouldn't be affordable for her.

MBNA issued a final response in June 2025 in which it didn't uphold Mrs H's complaint. In summary, it said its checks were proportionate to the terms of lending it was providing, and that it had gone on to fairly provide Mrs H with these credit limits. Unhappy with MBNA's response Mrs H referred her complaint to our service for review.

One of our investigators considered the details and within their latest view they didn't uphold Mrs H's complaint. She didn't consider MBNA's checks to have been proportionate based on the available information it had been able to provide from the time. However, on review of Mrs H's bank statements leading up to each credit limit increase she didn't find that proportionate checks at the time would more likely than not have led to MBNA concluding the original credit limit and first credit limit increase weren't affordable for Mrs H. And as Mrs H's balance never went above the first credit limit increase of £6,800, she didn't review the later increase as Mrs H hadn't suffered a financial loss through that lending decision.

MBNA didn't respond to our investigator's view; Mrs H responded and disagreed. In summary, she maintained her position that these credit limits were unaffordable for her. Mrs H provided other credit card statements to evidence her financial position, as well as handwritten annotations on the transaction lists setting out her bank account running balance and income and expenditure items.

Our investigator considered the points Mrs H raised and set out why their view remained unchanged. Mrs H asked for an ombudsman's review, so 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.

The information in this case is well known to Mrs H and MBNA, so I don't intend to repeat it in detail here. I've focused my decision on what I consider to be the key points of this complaint; so, while my decision may not cover all the points or touch on all the information that's been provided, I'd like to assure both parties I've carefully reviewed everything available to me. I don't mean to be discourteous to Mrs H or MBNA by taking this approach, but this simply reflects the informal nature of our service.

We've set out our approach to complaints about irresponsible and unaffordable lending as well as the key rules, regulations and what we consider to be good industry practice on our website. I've followed this approach when considering Mrs H's complaint.

I think it's helpful for me to set out from the beginning that as part of my investigation I haven't considered MBNA's second credit limit increase in February 2021. This is because the evidence I've seen confirms Mrs H's balance never went above the first credit limit increase provided in March 2018. As such, even if I were to conclude that the second credit limit increase hadn't been fairly provided, Mrs H hasn't incurred a financial loss as a result of this increase; so, there would be no redress for me to direct MBNA to take relating to that lending decision.

Therefore, when I talk about MBNA's lending events below, it's in reference to the original limit and first credit limit increase as these are the lending decisions I've reviewed.

Having considered all of the evidence available to me, I'm not upholding Mrs H's complaint as I've decided MBNA fairly provided this lending. I say this because:

- MBNA no longer has all of the information and data it obtained through its checks before it provided Mrs H with this lending. I don't consider this to be unreasonable, given the time that's passed and the data retention obligations on MBNA. However, this does mean I can't reasonably conclude its checks were proportionate.
- Mrs H has provided us with transaction lists from what appear to be her main bank account covering the months leading up to MBNA's lending events. The regulatory rules MBNA needed to follow aren't prescriptive in terms of what information or data it relies on in order to complete proportionate checks; but in the absence of any other contradictory information I consider these transaction lists allow me to understand what MBNA would more likely than not have identified through proportionate checks at the time of its lending decisions.
- Mrs H's income is evidenced through a monthly salary and benefit payment. A number of regular monthly non-discretionary expenses are also evidenced, as well as repayments to existing credit commitments.
- Having reviewed this evidence, and given what I would have expected MBNA to have reasonably identified through proportionate checks, I consider Mrs H had a reasonable level of disposable income each month to sustainably afford the repayment of these credit limits, and have remaining headroom for other living costs or other unexpected costs that may occur.
- MBNA has confirmed Mrs H completed balance transfers to a number of other credit cards when she opened the account. It hasn't been able to provide the full details due to the limited information now available; however, it has confirmed these were on promotional rates. As such I consider it more likely than not that Mrs H would have only taken advantage of these balance transfers if they were financially beneficial to her at the

- time; therefore, enabling her to refinance existing borrowing on more beneficial terms.
- Mrs H has said her account balance was largely always close to the available limit, and that she generally made payments in line with the minimum monthly contractual amount. While I acknowledge these comments, Mrs H has also confirmed that she has always maintained her account well, in line with her contractual obligations. So, I consider it reasonable that at the time of its lending decisions MBNA would have viewed Mrs H's management of her account in a positive light.
 - Mrs H has made reference to her bank account largely being maintained in an overdraft position, especially across the periods leading up to MBNA's lending decisions.
 - The transaction lists Mrs H has provided our service don't have a running balance – they only show individual transactions. I acknowledge Mrs H has annotated these lists with her running bank account balance; however, this isn't documentary evidence of her overdraft use.
 - In any event, I would set out as I have above, that the regulations aren't prescriptive in terms of what information or evidence MBNA needed to use in order to have conducted proportionate checks. And given it has said its checks were automated, it follows that it's unlikely these checks would have reported data setting out Mrs H's overdraft use to the extent that she has now described.
 - I would also set out that the use of an overdraft facility isn't automatically a reason for MBNA to have not provided Mrs H with these credit limits. I acknowledge Mrs H says she was using her overdraft to some extent to cover her essential monthly commitments. But, based on some of her own calculations, and my review of the transaction lists she's provided, there is a disposable income which could, at least to some extent, be used to reduce her reliance on borrowing.
 - Mrs H has also said at the time MBNA approved this lending that she had high revolving credit debt across other credit cards; and she's provided some other credit card statements in support of her complaint.
 - I've seen the credit information MBNA obtained at the original application. This showed that Mrs H had reported balances on other card accounts totalling around £3,700 against available limits of around £12,150. I don't consider Mrs H's total outstanding unsecured debt ought reasonably to have been of concern to MBNA, and I consider this is supported by the relatively low utilisation of the credit limits available to her.

So, taking all of the above into account I'm not persuaded that MBNA acted unfairly when providing Mrs H with these credit limits.

I've gone on to consider if MBNA has acted unfairly in any other way, including whether the relationship may have been unfair under Section 140A of the Consumer Credit Act 1974 (s.140A).

Mrs H has said her balance has consistently been close to her available credit limit, and that she has only maintained payments in line with her contractual monthly minimum. As I've set out above, this in itself isn't necessarily a sign of financial difficulty; especially as Mrs H has consistently maintained her account in line with her contractual obligations. And MBNA's contact notes show that Mrs H didn't make it aware of any concerns with the affordability of the agreement, or that she was in financial difficulties, until she made this complaint.

I acknowledge in more recent years MBNA identified Mrs H as a customer in persistent debt, and had been engaging with her relatively consistently across different communication methods about her use of the account. Having reviewed the contact notes MBNA has provided, I consider its approach and engagement with Mrs H here to have been reasonable and in line with its regulatory obligations around persistent debt.

So, for the reasons I've already given I don't think MBNA lent irresponsibly to Mrs H or has otherwise treated her unfairly. I therefore 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 acknowledge my decision will likely be disappointing to Mrs H; but for the reasons above, I'm not directing MBNA to do anything further in resolution of this complaint.

My final decision

My final decision is that I don't uphold Mrs H's complaint about MBNA Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 29 May 2026.

Richard Turner
Ombudsman