

## **complaint**

Miss C feels she's been unfairly treated by Barclays Bank Plc as it offered her an increase on the credit limit of her credit card account in January 2016. She feels this is irresponsible lending.

## **background**

Miss C says that Barclays' shouldn't have increased her credit limit. And as it did this it led to financial difficulties for her. She said she had a bad credit score at the time and various other indicators that meant Barclays should have known that it shouldn't give her access to more credit. So she feels Barclays should put things right.

Miss C complained to Barclays and it said it hadn't done anything wrong. It said it was entitled to do what it did and wasn't guilty of irresponsible lending. It did think it had dealt with her concerns not as well as it could have done so it offered her £25.

Miss C wasn't happy so she complained here and the adjudicator did not uphold the complaint. Miss C does not agree so this complaint has been passed to me.

## **my findings**

I have considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Barclays and Miss C don't agree what actually happened in this case. As such I can only make my decision based on the evidence provided to me by the two parties. In short I must decide what is most likely to have happened. Or in other words, what happened on the balance of probabilities.

Having considered everything available to me I've decided not to uphold this complaint. I say this for the following reasons.

- Although Miss C points to having lots of debt and lots of different credit providers I note that a lot of the credit she refers to was taken after Barclays increased her limit in January 2016. Much of it started, or was substantially increased in the summer of 2016. So although clearly she was in trouble from mid-2016 onward the situation was clearly a lot better in December 2015 and January 2016. And this was when Barclays made its decision.
- It's true that Miss C had debt beforehand and some issues with payments and indeed had been charged fees. However her normal repayments were more than the minimum required. And although she used her overdraft there were times when she'd been a long way from her credit limit on it. I think it is pertinent that in the second half of 2015 Miss C seems to have been operating her accounts well and not incurring fees or charges. So it would seem her management of her finances was better during that period than had previously been the case.
- It seems that some time before Barclays decision here Miss C had had issues with debt with other lenders. But I have considered Barclays records of its decision making process. Firstly such lending is a commercial decision generally for it to make and thus out with of my decision making. But it is clear it had a process for such decisions and that seems to have been taken reasonably.

- Miss C points to having an overdraft and notes she couldn't stay out it. But using an overdraft doesn't mean a credit card facility or increasing such a facility is irresponsible lending.
- I must also consider the relative sizes of the debt and the increase in debt generally. Miss C's circumstances at the time that although she had debts and various credit facilities she didn't have an unmanageable level of debt by any means. And although the increase in size of the credit facility was in the order of triple the original credit limit was not large (significantly less than a thousand pounds). So the increase was some distance short of excessive to my mind.
- Barclays points out that when it offered her the extra credit she had the choice of not accepting it. It also notes that Miss C didn't seem to have any difficulty managing the account until some months later (by which time she'd started new credit facilities with other providers and increased her debts with yet more providers).
- Clearly Barclays aren't responsible for the decisions to give credit or increase credit taken by other firms after January 2016.
- Lastly Barclays is required to honour the transactions Miss C makes on her accounts, unless it has good reason to do so.

So I don't think Barclays has done anything wrong in offering increased credit in January 2016. So I don't think it needs to do anything else on this matter. I appreciate this isn't the outcome Miss C would have wished for. But I don't think this is unfair considering the circumstances in the round. So this complaint does not succeed.

#### **my final decision**

For the reasons set out above, I do not uphold this complaint against Barclays Bank Plc.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss C to accept or reject my decision before 27 November 2017.

Rod Glyn-Thomas  
**ombudsman**