

## **complaint**

Mr G is unhappy that Barclays Bank Plc (trading as Goldfish) increased the limits on his credit card by £10,000.

## **background**

In 1997 Mr G opened a Goldfish credit card account. Between 2003-2004 his credit limit was increased from £4,900 to £15,000 while his gross income was £20,000. Following this, his credit card exceeded its limit by up to £1,000 on a number of occasions. Mr G feels that this was irresponsible lending and the business should have intervened to stop his spending, the majority of which was gambling. Mr G has said he is a pathological gambler and he has lost his home as a result of his recurring debts.

The adjudicator did not recommend that this complaint should be upheld. He concluded that the business had relied on the fact Mr G serviced his credit card effectively and regularly when it increased his limit. He also concluded Mr G did not query the limit increase at the time and never informed Barclays of his gambling addiction.

Mr G disagrees. He says the business never carried out any affordability checks and is responsible for his current financial position.

## **my findings**

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

I have sympathy for Mr G who is clearly distressed and frustrated that he is facing financial challenges. I accept he feels the business failed to carry out affordability checks when it increased his credit limit. He feels this has caused his financial problems. I also note Mr G has said he is a pathological gambler and has faced a number of financial difficulties including the loss of his home.

Looking at the management of the credit card account, I note that the limit was increased between 2003 and 2004 to £15,000. In July 2004 Mr G made a balance transfer to the credit card of more than £15,000. It was not until July 2006 that Mr G queried how the credit card had been able to exceed its limit. It was explained this was due to a number of small transactions which were individually below the merchant's floor limit. In August 2007 Mr G paid £10,400 to reduce the balance. In 2008 the credit card was sold to Barclays. In 2009 Barclays reduced the credit limit following a number of large payments to the credit card.

In all the circumstances I do not find the business was at fault. On the evidence of Mr G's management of the account before the credit limit was increased, I do not consider that the increase was irresponsible. I note Mr G often made payments in excess of the minimum. And Mr G continued to pay more than the minimum monthly payment after the credit limit was increased. Even though his gross income was only £20,000, the evidence of his account management suggests that he was not struggling to meet his obligations. I do not consider the increase to have been irresponsible lending in light of this evidence. I also consider that if the increase had been problematic to Mr G, he had ample opportunity to raise this at the time. In addition, he was not obliged to use the increased credit limit. Rather, as the adjudicator pointed out, Mr G also managed to maintain the level and frequency of his spending for some time before raising this complaint. The credit limit was increased almost

ten years ago and yet over the intervening period, Mr G did not make Barclays aware of any financial difficulties and continued to make his monthly payments.

I accept Mr G has lost his home. I am truly sorry this has happened. I also accept he is a compulsive gambler and has experienced stress and hardship as a result. However, I do not consider this to be due to a fault on the part of the business. Rather, I am satisfied that Mr G was provided with additional credit based on the fact that he appeared to be able to manage his account. I also consider that he was aware of his addiction several years before he raised this complaint. While having access to ample credit enabled him to gamble and incur increased debt, I do not find that the business should or could have known he had a gambling addiction. I am satisfied Mr G's spending habits remained the same for an extended period and that there was nothing extraordinary in his credit card transactions to raise alarm bells at the business.

Finally, I note that on occasion, certain transactions were declined due to the number of cash transaction on one day. On those occasions Mr G complained to the business. I also note that Mr G made a number of applications for credit over the past ten years. In all the circumstances, I consider it more likely than not that Mr G would have sought and potentially obtained credit elsewhere, even if his credit limit had not been increased in 2004. I therefore cannot conclude that Barclays' actions were the cause of his loss.

I know this will come as a disappointment to Mr G and that this is not the outcome he hoped for. However, I cannot fairly hold Barclays responsible for Mr G's financial circumstances.

#### **my final decision**

My decision is that I do not uphold this complaint.

Zoe Copley  
**ombudsman**