

complaint

Mrs C's son complains on her behalf that Creation Financial Services Limited will not give her a reason why it declined her application for a credit card.

background

Mrs C applied for a credit card after she was approached in a store. Creation then declined her application but it wouldn't tell her why. It said it couldn't give that information because some people might use it in the wrong way.

The adjudicator didn't recommend this complaint should be upheld. He said that the criteria Creation uses to decide a credit application is commercially sensitive and this Service can't ask it to give the reason to Mrs C. But he did try to reassure her that businesses look at a number of factors when making such decisions. And the reason why Creation declined her application may not be due to anything negative on her credit record. Mrs C wasn't happy with this.

my findings

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

I can see that Mrs C doesn't want any monetary compensation. She is worried about Creation's decision and just wants an explanation. So I can understand how upsetting this is for her and I know she wouldn't use this information in any way other than trying to understand why her application was refused. But banks and financial organisations don't have to give reasons for these types of decisions. And the rules under which we were set up don't give us the power to make them do so.

I know how disappointed Mrs C will be with my decision but for the reasons I've given I can't ask Creation to give her the information she wants.

my final decision

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 22 September 2016.

Linda Freestone
ombudsman