

complaint

Mr A, represented by his solicitor, Mr C, says that the limit on his credit card provided by NewDay Ltd (trading as Opus) was increased on a number of occasions. He says this happened without any assessment as to whether the new limit was affordable.

background

Mr A applied for a credit card in 1999. His account was assigned to NewDay in March 2010 and Opus formally took over managing his account in November 2010. At this time the credit limit on his card was £1,200.

In February 2014, Opus wrote to Mr A saying that it had increased his credit limit to £2,400. The letter provided Mr A with the option not to accept the increase in his credit limit and to maintain his previous credit limit.

Opus says that it takes a number of factors into consideration when applying a credit limit to an account. It says it complies with the Financial Conduct Authority's requirements when setting a credit limit to ensure that this is appropriate. It also says that when Mr A was offered a credit increase he had forty days to reject this.

The adjudicator did not find that Opus's actions had caused Mr A any financial difficulties or put him at risk of future difficulties. She said Mr A had received notification of his credit limit increases and was given the option to opt out of these. She said that Mr A had maintained his account within its limits and generally made his payments on time.

Mr C, on behalf of Mr A, requested an ombudsman review of this complaint.

my findings

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

Mr A entered into a credit card agreement. The terms of this agreement set out that a credit limit will be set and that the limit can be changed and that Mr A will be informed about this.

I have looked at the statements for the credit card account that Mr A is complaining about. These show that his credit limit was increased in 2014. Opus has provided a letter dated February 2014 which sets out the increase in the credit limit and provides Mr A with the option to opt out of this increase. I have no evidence to suggest that Mr A let Opus know he did not want this increase and so I do not find that it did anything wrong by increasing Mr A's limit.

Mr A has suggested that the increases in his credit limit were irresponsible. Having looked at Mr A's statements I find that he has managed his account well and kept within his limits. I have nothing to suggest that the change in his credit limit caused him to suffer financial difficulties.

Based on the above, I do not find that Opus has done anything wrong.

my final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C, on behalf of Mr A, to accept or reject my decision before 26 October 2015.

Jane Archer
ombudsman