

complaint

Mr F complains that NewDay Ltd (trading as Marbles) was irresponsible to offer him a credit card as he struggling financially.

Mr F wants Marbles to write off the outstanding balance and amend his credit file.

background

Mr F took out a Marbles credit card in mid-2015. He used the card to withdraw cash but didn't make any repayments.

Mr F says Marbles shouldn't have given him the card as his credit rating was poor at the time. Mr F says he's now in a worse position as a result.

Our adjudicator didn't recommend that Mr F's complaint be upheld. He was satisfied Marbles carried out checks and relied on the income information given to it by Mr F.

Mr F disagrees with our adjudicator's recommendation. He can't understand why Marbles would think he earned £55,000 a year. And if Marbles had carried out a proper credit search, it would have seen his other unpaid lending.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I agree with the conclusions of our adjudicator.

I should first of all say that I'm sorry to hear about Mr F's situation. I can appreciate he feels Marbles has made his financial hardship worse but I need to consider whether Marbles acted irresponsibly based on the information it had at the time.

I'm satisfied it carried out credit checks before agreeing to give Mr F the card. And it relied on the income information Mr F gave it as part of this application. I understand Mr F doesn't earn anywhere near the £55,000 figure Marbles recorded. But Marbles was entitled to rely on the figure he gave as part of the application process.

Marbles offers credit to customers who want to rebuild their credit rating. This means it will often lend to people who wouldn't usually get credit. Marbles gave Mr F a low credit limit of £100. Overall, I don't find it acted irresponsibly when it agreed to lend to Mr F.

I've considered whether Marbles treated Mr F reasonably and sympathetically once it became aware of his financial difficulties. When Mr F failed to make any payments, Marbles sent a number him a number of letters asking him to make contact if he was experiencing financial difficulties. But Mr F didn't mention anything until he complained. So I can't find Marbles should've done more than it did.

Marbles has told Mr F that his debt is with a debt collection company. If Mr F wants to agree a repayment arrangement, I urge him to contact that company.

As I don't find Marbles made a mistake, I don't require it to write off the debt or amend Mr F's credit file. I'm sorry if this comes as a disappointment.

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 Mr F to accept or reject my decision before 1 March 2017.

Gemma Bowen
ombudsman