

complaint

Ms W's complaint is that Creation Financial Services Limited ("Creation") provided her with a number of credit cards, even though she was already in a difficult financial position.

background

Between 2012 and 2013 Ms W applied to Creation, using a number of different brand names, for several credit cards. Creation believed she would be in a position to honour the debt and each new card allowed her to transfer the balance of another card and enjoy a period of low interest.

Ms W didn't tell Creation about her financial position but she thinks it should have been apparent from her credit file at the time that the lending wasn't affordable. Creation didn't agree and said it believed it was.

Our adjudicator considered the complaint, but didn't think Creation had done anything wrong.

She said Ms W benefitted from the successful applications, and Creation wasn't made aware, and couldn't have known, of potential financial difficulties.

Ms W didn't agree. She said Creation didn't properly assess her income and expenditure. She also said she wasn't in a position to re-mortgage and didn't want to enter a repayment plan with it because this could have affected her co-mortgagee.

The complaint was then passed to me to review.

my findings

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

When Creation's asked to provide credit it's expected to carry out checks that are proportionate with the amount being borrowed. And I'm satisfied it did that here. It appeared Ms W had sufficient income to meet the minimum repayments and I can see she kept up repayments on the cards, sometimes paying more than the minimum amount required.

Although Ms W's commented on her poor credit rating at the time she applied for the credit cards, I can't see she had arrears that would have been a cause for concern. So it would have appeared to Creation she had enough money available to honour her debts; particularly when read in conjunction with the available information about her income.

I don't doubt what Ms W has said about her going through a difficult time financially, but I can't say it would have been apparent to Creation. Additionally, after the cards had been approved, as Ms W didn't then tell it about her financial position it couldn't offer assistance.

my final decision

My final decision is that I'm not going to ask Creation Financial Services Limited to take any further action to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms W to accept or reject my decision before 18 July 2016.

Ashley L B More
ombudsman