

## **The complaint**

Miss W complains that Nationwide Building Society lent to her irresponsibly.

## **What happened**

In December 2020 Miss W applied for a credit card. Nationwide approved the application and gave Miss W a card with an initial credit limit of £2400.

Miss W complained that Nationwide lent to her irresponsibly.

Nationwide didn't uphold the complaint. It said it had completed proportionate checks before lending to Miss W.

Miss W remained unhappy and complained to this service.

Our investigator didn't uphold the complaint. He said that Nationwide had completed reasonable and proportionate checks before lending to Miss W and that the lending decision was fair.

Miss W didn't agree so I've been asked to make a decision.

## **What I've decided – and why**

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

We've set out our approach to complaints about irresponsible and unaffordable lending on our website. I've had this approach in mind when considering Miss W's complaint.

Before agreeing to lend, Nationwide needed to complete reasonable and proportionate checks to ensure that Miss W could sustainably repay what was being lent to her.

There's no set list of checks that a lender has to complete. But lenders are required to have regard to things like the amount being lent, the total amount repayable, the monthly repayment and the consumers individual circumstances when deciding what's reasonable and proportionate.

I've looked at the checks completed by Nationwide. Miss W declared annual income of £24,000 in her application. She also declared housing expenses of £150.87 per month. Nationwide calculated Miss W's monthly disposable income as £927.32. Nationwide also carried out a credit check. This showed that Miss W had unsecured debt of around £900.

Based on what I've seen, I think the checks carried out by Nationwide were reasonable and proportionate. I haven't seen anything in the information gathered from the checks which would've given Nationwide cause for concern, or which meant that further checks should've been carried out.

I've gone on to consider whether the lending decision was fair. There's nothing in the

information gathered from the checks to suggest that Miss W was struggling to repay her debts or that she was overly reliant on credit. Nor is there anything to suggest that she wasn't likely to be able to sustainably repay the loan or that it wasn't affordable for her.

For these reasons I think the lending decision was fair. I'm therefore unable to say that Nationwide lent to Miss W irresponsibly.

I understand that Miss W's financial circumstances have changed since she took out the card. However, I don't think Nationwide could reasonably have foreseen this at the time of the lending decision.

### **My final decision**

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 11 August 2023.

Emma Davy  
**Ombudsman**