

## **The complaint**

Mr C complains that Barclays Bank UK PLC trading as Barclaycard lent irresponsibly when it approved his credit card application and later increased the credit limit on several occasions.

## **What happened**

Mr C opened a credit card with Santander in September 2002 and was given a £2,000 credit limit. The credit limit increased to £2,700 in September 2003, £3,200 in February 2005, £4,450 in May 2008, £6,350 in September 2009, £10,350 in February 2014 and £11,850 in March 2016.

Mr C used the credit card, repaying the balance at times. In 2022 the account fell into arrears and was closed.

Earlier this year, Mr C complained that Barclaycard lent irresponsibly when it approved his credit card application and went on to increase his credit limit in stages. Barclaycard issued a final response and said it wasn't able to look at lending decisions that had taken place more than six years from the date Mr C complained. Barclaycard added that the March 2016 credit limit increase had been correctly approved in line with its lending criteria after obtaining information from the credit reference agencies. Barclaycard didn't uphold Mr C's complaint.

Representatives acting on Mr C's behalf referred his complaint to this service and it was passed to an investigator. They reviewed the available information but explained that due to the length of time since Mr C originally applied for a credit card, Barclaycard was unable to supply evidence to show what it found. Barclaycard added it didn't have records going back before the March 2016 credit limit increase either.

The investigator wasn't persuaded that Barclaycard had failed to carry out reasonable checks before increasing Mr C's credit limit in March 2016 and didn't uphold his complaint. Representatives acting for Mr C forwarded copies of his bank statements from 2018 and asked to appeal. As a result, Mr C's complaint has been passed to me 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.

Our approach to considering complaints about unaffordable and irresponsible lending is set out on our website. I've had this approach in mind when considering what's fair and reasonable in the circumstances of this complaint.

Before providing credit, lenders need to complete reasonable and proportionate affordability checks. There isn't a set list of checks a lender is required to carry out, but it needs to ensure the checks are proportionate when considering things like: the type and amount of credit being provided, the size of the regular repayments, the total cost of the credit and the consumer's circumstances.

Here, we're limited in terms of the level of investigation we can complete due to the passage of time. Mr C first applied for a credit card with Barclaycard in September 2002 and no records exist from that time. In much the same way, there's no evidence available to show the checks or information Barclaycard used when completing the credit limit increases prior to March 2016. Again, that's because Barclaycard no longer has those records. Businesses aren't obliged to retain information indefinitely and I'm satisfied that Barclaycard no longer has evidence to show the lending checks completed prior to March 2016.

I appreciate Mr C feels the decision to approve his application in September 2002 and increase the credit limit in the years that followed was irresponsible. But I haven't been given any evidence by either Barclaycard or Mr C that predates March 2016. Without evidence to show Mr C's circumstances at the time, I'm unable to conclude Barclaycard lent irresponsibly. I think it's fair to say that Barclaycard would've most likely taken Mr C's ongoing payment history into account along with information on his credit file when increasing the credit limit. And I think the account history available shows Mr C managed the credit card in line with the terms. Overall, I haven't been persuaded Barclaycard lent irresponsibly when it approved his credit card application and later increased the credit limit.

Barclaycard has supplied the evidence behind its decision to increase the credit limit to £11,850 in March 2016 as the information remains on file. I can see that Barclaycard looked at Mr C's credit file and obtained information about his unsecured borrowing and mortgage costs. Barclaycard has shown it factored those costs into its lending assessment. Barclaycard has also confirmed it checked Mr C's income level against benchmark data provided by a credit reference agency and took outgoings figures into account as well. Barclaycard has explained Mr C's payments had been maintained in line with the credit agreement in the months before the credit limit was increased. Overall, I'm satisfied Barclaycard carried out reasonable and proportionate checks before taking the decision to increase Mr C's credit limit to £11,850. I haven't been persuaded that Barclaycard should have obtained further evidence from Mr C before proceeding or that it lent irresponsibly.

I note Mr C's representatives sent some copies of his bank statements from 2018. But the last credit limit increase took place in March 2016 so the statements don't show what Barclaycard would've found if it had asked Mr C for bank statements at that time. I note Mr C's representatives said they intended to submit a credit file. But we didn't hear back from Mr C's representatives with any further information by the dates given. I'm satisfied we have sufficient information on file to reach a fair decision in this case.

I'm very sorry to disappoint Mr C but as I haven't found evidence that shows Barclaycard lent irresponsibly I'm not upholding his complaint.

### **My final decision**

My decision is that I don't uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 9 January 2024.

Marco Manente  
**Ombudsman**