

## **The complaint**

Mr A complains MBNA Limited reduced his credit card account limits unfairly.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving the reasons for my 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.

Mr A has two credit card accounts with MBNA. They were both opened several years ago. In May 2020 Mr A asked for Covid related payment deferrals on his accounts – meaning he wouldn't need to make payments to the accounts for several months. There was an issue with their implementation initially, but this was resolved, and they were later extended to October 2020. MBNA treated Mr A fairly and in line with Covid related industry guidance here.

In October 2020 Mr A had a call with MBNA. I've listened to a recording of this call. His circumstances were discussed, which included details of Mr A's business difficulties and his reliance on government support. Mr A feels MBNA took these details in a covert manner as he didn't know they could have an impact on his accounts. I don't agree. Mr A was contacting MBNA about his financial difficulties and MBNA, as required of it, took details to see how it could support him. The call handler did what she could to support Mr A as, after discussing several things, she put in place 30 days' breathing space for him, meaning no interest or charges would be applied, and he wouldn't be contacted by its collections department. MBNA treated Mr A fairly and reasonably here.

In November 2020 MBNA reviewed Mr A's credit limits. One was reduced from £11,400 to £2,350. The other from £8,900 to £5,700. Mr A is unhappy about this. But MBNA can reduce credit limits if it thinks it's appropriate to do so. Here, I think its decision to do so was fair and reasonable. I say this because Mr A had significant available credit – about £12,500, against outstanding balances of about £7,500, which he'd been unable to maintain for some time. Neither reduction took Mr A's limit below his outstanding balance. I accept Mr A feels his credit score was impacted by the reductions and that's unfair. But MBNA isn't responsible for supporting his credit score. Instead, it's responsible for ensuring the credit it makes available to him is affordable. I'm satisfied that's what it did here.

Mr A says MBNA continued to reduce his credit limits as his outstanding balances reduced. I've reviewed his credit card statements and I can't see that's the case. One account had the limit reduced to £2,350 and the latest statement I've seen, dated 6 September 2021, shows the same limit. The credit limited of £5,700 on the other account also remained the same. I can't see MBNA has done anything wrong here.

## **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 October 2021.

James Langford  
**Ombudsman**