

## **The complaint**

Mr T complains about the way in which NewDay Ltd communicate credit limit decreases. He feels that their communication is misleading and deceptive. Mr T isn't disputing the credit limit decreases themselves but feels that the wording of NewDay's letters implies that the credit limit has been decreased to benefit him whereas his experience is that it causes him financial uncertainty.

## **What happened**

Mr T holds an Aqua credit card account with NewDay. He's had his credit limit reduced before and has complained about this to NewDay in the past under a separate complaint reference. He thought he had agreed with NewDay that it wouldn't keep happening. Mr T accepts that NewDay is entitled to reduce his credit limit in line with the terms and conditions of the account.

More recently Mr T has received letters advising him that his credit limit has been reduced which he feels are misleading and deceptive. Mr T said that in one letter he was advised that his credit limit had been reduced because he didn't fully utilise the higher credit limit. He says in another letter he was invited to call NewDay if he wanted to keep the same credit limit, but when he called he was told that the credit limit had been decreased and that the decision wouldn't change.

Mr T complained to NewDay but it didn't uphold the complaint. So he brought his complaint to this service.

Our investigator didn't uphold the complaint. She said that whilst she understood Mr T's perspective on the wording in some of the letters he'd received from NewDay, she didn't think the communications were misleading or deceptive.

Mr T didn't agree so I've been asked to review the complaint.

## **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 T has provided this service with several letters he's received from NewDay. He's annotated some of these with his thoughts and it's clear that he feels very strongly about the way in which the letters are worded.

I've carefully reviewed all of these letters. And I do appreciate that – certainly from Mr T's perspective – some of the sentences could be interpreted as being light-hearted or even slightly patronising when advising of the credit limit reduction. It's clear from some of the annotations that Mr T that he has interpreted the letters in this way.

Mr T's specific complaint is that the letters are misleading and deceptive. So I've had this in mind when reviewing the letters. However, based on what I've seen, I don't think I can fairly

say that the letters are intentionally misleading or deceptive.

Mr T has referred to the guidance in the FCA Banking Conduct sourcebook on clear and transparent communications. I've thought about this but having reviewed the letters from NewDay I'm unable to fairly conclude that these are unclear, unfair or misleading. Even if the letters were unclear or misleading (which I don't think they are), I haven't seen anything to suggest that Mr T has suffered a detriment as a result of the letters. Mr T may well have suffered a detriment as a result of the credit limit reduction – but that is a separate issue and not something which I'm able to consider as part of this complaint, which is about the communications.

Mr T has also referred to a telephone call he made to NewDay in response to a letter he'd received. He said he was advised in the letter that if he didn't contact NewDay, his credit limit would be decreased. Mr T feels that NewDay "strung him along" by asking him whether he wanted to keep his credit limit as it was and then placing him on hold for a long time before returning to the call and informing him that the credit limit decrease wasn't appealable.

I haven't been able to listen to this call, but if I accept Mr T's version of events then I understand how frustrating this must've been for him. However, NewDay isn't under any obligation to reinstate a credit limit having exercised its right to reduce it, so I'm unable to say that Mr T was treated unfairly.

I understand that Mr T may be disappointed by my decision but I'm unable to uphold the complaint.

### **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 Mr T to accept or reject my decision before 24 April 2024.

Emma Davy  
**Ombudsman**