

## **The complaint**

Mr T complains that Barclays Bank UK PLC trading as Barclaycard attempted to apply a credit limit increase without his consent and performed a soft credit search.

## **What happened**

Mr T holds a Barclaycard credit card.

In April 2024 Barclays wrote to Mr T to advise him that it was planning to increase his credit limit from £15,200 to £16,700 on 11 June 2024. The letter said it was up to Mr T whether he took the credit limit increase or not and set out the steps he needed to take depending on whether he wanted the increase or didn't want the increase. The letter also set out the steps Mr T needed to take if he wanted to stop getting credit limit increases.

Barclays didn't hear from Mr T. So, in accordance with the letter, Barclays attempted to increase the credit limit. This involved a soft credit search. Following the credit search, the increase was declined.

Mr T complained to Barclays. He said he didn't think the bank should be able to increase his credit limit without his explicit consent.

Barclays didn't uphold the complaint. In its final response dated 11 July 2024 it said it hadn't made an error. It said the letter it had sent to Mr T in April 2024 gave him plenty of time to contact them if he didn't want the increase to be applied. Barclays said it had updated Mr T's preferences so that he wouldn't get automatic credit limit increases in the future.

Mr T remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. They said they thought Barclays had investigated the issues and provided a fair outcome. They said that Barclays hadn't made an error because the terms and conditions of the account stated that credit limits will be reviewed from time to time.

Mr T didn't agree. He said he'd had to transfer his balance to another provider because he'd lost trust in Barclays. He said he thought it was financially irresponsible for a bank to increase a credit limit unless a customer gave consent.

Because Mr T didn't agree 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.

I've reviewed the terms and conditions of the account. These state (under "Credit Limit") that Barclays will review the credit limit from time to time and that if they change the credit limit they will let you know.

Mr T agreed to these terms and conditions when he opened the account.

I've also reviewed the letter which Barclays sent to Mr T in April 2024. Under the heading "Here's what to do now" it sets out what you need to do if you want to decline the credit limit increase. It also sets out what will happen if you don't get in touch.

Based on what I've seen, I think the letter is clear and provided Mr T with all the information he needed in order to make an informed decision about the credit limit increase.

I appreciate that Mr T has said that he was working away and didn't see the letter. However, notwithstanding this absence (which I can't see that Barclays was aware of), given that the letter gave two months' notice of the credit limit increase, I think Barclays gave a reasonable period of time for Mr T to read the letter and decide what he wanted to do.

I understand the point that Mr T makes. He feels that it's irresponsible for a bank to increase the credit limit without consent. And he doesn't think it's right that "silence" or not getting in touch with the bank constitutes consent. I agree with Mr T insofar as I don't think a bank should be able to increase a credit limit unilaterally. However, this isn't what happened here. Barclays sent a letter giving Mr T a reasonable time to decide what he wanted to do. The letter made it clear that if Mr T didn't get in touch with Barclays the increase would be applied. And the terms and conditions – which Mr T agreed to – provide for credit limits to be reviewed from time to time.

Taking everything into account, I'm unable to say that Barclays has made an error here. I do recognise that Mr T feels very strongly about this and has chosen to move his account elsewhere. That was his choice, and I can't fairly hold Barclays responsible for any balance transfer fees that Mr T has incurred.

I've thought about whether Barclays need to do anything more to resolve this. As I've said, I don't think Barclays made an error. However, I can see that they changed Mr T's preferences so that automatic credit limit increases wouldn't be applied in the future. On balance, I think Barclays has dealt with the complaint fairly and I won't be asking them to do anything further.

### **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 13 November 2024.

Emma Davy  
**Ombudsman**