

## **The complaint**

Miss M is unhappy that Bank of Scotland plc, trading as Halifax, reduced her credit limit and didn't inform her that they had done.

## **What happened**

Miss M has a credit account with Halifax. In May 2024, Miss M called Halifax and asked about using the card overseas while she was on holiday. Halifax told Miss M that she would be able to use the card while overseas, but when Miss M tried to make a payment for a rental car using her Halifax credit card, the payment wouldn't go through. Miss M wasn't happy about this, so she raised a complaint.

Halifax responded to Miss M's complaint but didn't feel that they'd done anything wrong. Halifax noted that the credit limit on Miss M's account had been reduced from £3,400 to £650 in January 2024, and that they'd informed Miss M about this change at that time. Halifax also noted that the reasons they payments Miss M tried to make didn't go through was because they were for more than the £650 credit limit on the account.

Miss M wasn't satisfied with Halifax's response, especially as she hadn't received any notice of the credit limit reduction on her account as Halifax claimed. So, she referred her complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that Halifax had acted unfairly towards Miss M, and they felt that Miss M should have checked or been aware of the credit limit available to her before she tried to make a payment on the account. Miss M didn't accept the view of this complaint put forward by our investigator, so the matter was escalated to an ombudsman for a final 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.

Having done so, I note that Miss M has provided several detailed submissions to this service regarding her complaint. I'd like to thank Miss M for these submissions, and I hope she doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead, I've focussed on what I consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Miss M notes that I haven't addressed a specific point that she's raised, it shouldn't be taken from this that I haven't considered that point – I can confirm that I've read and considered all the submissions provided by both Miss M and Halifax. Rather, it should be taken that I have considered that point but that I don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

Miss M is unhappy that Halifax reduced the credit limit on her account and feels that they didn't inform her that this was the case. But Halifax have demonstrated to my satisfaction

that they sent a letter to Miss M's online banking inbox on 5 January 2024 which explained that the credit limit on Miss M's account had been reduced, and which also provided an explanation as to why Halifax had made the decision to reduce the credit limit.

I'm aware that Miss M disagrees with Halifax's decision to reduce her credit limit, and with their reasoning behind their decision. But Halifax are entitled to make such a decision and to reduce the credit limit on an account holder's account. And their right to do so is stipulated in the terms and conditions of the credit account, to which Miss M agreed when she opened and accepted the account. As such, while Miss M might object to the decision, Halifax aren't obliged to change their decision because of Miss M's objection.

Ultimately, it's for credit providers such as Halifax to decide whom they're willing to provide credit to, and how much credit they're willing to provide. And it isn't for this service or an account holder to tell Halifax to provide any amount of credit that Halifax aren't willing themselves to provide.

Miss M has also said that she didn't have access to her online inbox for the early part of 2024, and so wasn't aware of the letter that Halifax had sent to her inbox informing her of the credit limit reduction.

But Miss M has also explained to this service that her communication preferences with Halifax were set to paperless, so that all documents other than account statements would have been sent to that mailbox. And Miss M has also explained that before calling Halifax in May 2024, that she hadn't used the account in the past 15 months.

Considering this information, I don't feel that it's reasonable for Miss M to have assumed that nothing had changed on her credit account since she had last used it, especially without having the ability to access her online mailbox. And I also note that the reduced credit limit was displayed on the account statements that Halifax made available to Miss M from January 2024 onwards, and which Miss M didn't need to access her online mailbox to view.

Accordingly, I feel it's reasonable to have expected Miss M to have confirmed the credit limit that was available on her account before attempting to use the card while overseas. And I feel that Miss M could have done this either by reviewing her account statements or by asking Halifax about the issue directly. And I also feel that the onus was on Miss M to have ensured that she could always access her Halifax online inbox.

Miss M notes that she did speak with Halifax before she went overseas and feels that Halifax's agent should have informed her about the reduction of the credit limit on her account.

But the credit limit reduction had happened several months prior to Miss M calling, and so I can see no reason why Halifax's agent would have volunteered this information without it being specifically requested by Miss M. And, as per the above, I feel that it was for Miss M to have ensured that her understanding of the account remained correct, including the credit limit, given that she hadn't used the account for some time and given that she wasn't able to access her online inbox.

Regarding the fact that Miss M couldn't access her online inbox, I'm not persuaded that Halifax should be considered responsible for that fact. This is because when Miss M did raise the issue with Halifax, the matter was quickly resolved. And I feel that this means that it might have been an issue with Miss M's connecting device rather than any systemic issue with Halifax. And this is especially the case given that Halifax have confirmed that there was no wider reporting from their customer base of online inbox accessibility issues.

Miss M did attempt to make a payment while overseas that was within her credit limit, but which didn't go through. However, Halifax have demonstrated to my satisfaction that the reason the payment didn't go through was because Miss M used an electronic payment services provider to facilitate the payment, and that it was this electronic payment services provider that rejected the payment, and not Halifax. As such, I don't consider Halifax to bear any accountability or responsibility for this payment not being successful.

Finally, Miss M is unhappy with how Halifax handled her complaint about this matter, including that she feels that Halifax didn't investigate her complaint properly so that she had to raise a second complaint.

However, this aspect of Miss M's dissatisfaction isn't something that is within my authority or remit to consider. This is because this service can only consider points of complaint about financial matters. And how a business has handled a complaint isn't a financial matter, even when the complaint is itself about a financial matter that this service can consider. In short, this service can't consider a complaint about how a business has handled a complaint.

All of which means that I don't feel that Halifax have acted unfairly towards Miss M as she contends. This is because I'm satisfied that Halifax were within their rights to reduce the credit limit on Miss M's account, and did provide notice of the reduction to Miss M.

Additionally, I feel that the onus was on Miss M to ensure that she had access to her online banking inbox so that she could remain up to date on Halifax's correspondence, especially as she had selected her communication preference as being online.

I also feel that it was incumbent on Miss M to have ensured that her understanding of the credit account was correct before she attempted to use it, and I feel that she could and reasonably should have done so by checking her account statement or by asking Halifax about her credit limit directly before trying to make a purchase using the account.

It therefore follows that I won't be upholding this complaint or instructing Halifax to take any further or alternative action here. I realise this won't be the outcome that Miss M was wanting, but I hope that she understands, given what I've explained, why I've made the final decision that I have.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 28 February 2025.

Paul Cooper  
**Ombudsman**