

The complaint

Mr C has complained that Barclays Bank UK PLC trading as Barclaycard unfairly reduced his credit limit.

What happened

Mr C had a Barclaycard. However, his limit was lowered from £7,500 to £450. He was told he could apply for it to be increased again, but this was incorrect. Barclaycard offered £50 compensation in respect of this misinformation. Mr C subsequently closed his account.

One of our investigators looked into what had happened. She could see that the account terms and conditions allow for credit limits to be adjusted. Here, Barclaycard told Mr C this was because of information it had received from Credit Reference Agencies (CRAs), and our investigator thought this was a reasonable explanation. She didn't consider it to constitute 'debanking by stealth', which refers to a situation where a person is effectively cut off from banking services without a clear or direct explanation. Here, Mr C still had his account, and was provided with a clear explanation as to why his credit limit was decreased.

As regards the incorrect information about applying for an increase, she thought Barclaycard's offer was reasonable, and in line with what our service would have awarded. Further, she explained that the account couldn't now be reinstated, as Mr C had instructed that it be closed – which it was.

Finally, our investigator advised Mr C that if he has any concerns regarding the accuracy of any information Barclaycard holds about him, when he receives his SAR response, he should let Barclaycard know.

Mr C disagreed. He feels the crux of the matter is that he hasn't been told what information Barclaycard relied upon when decreasing his credit limit.

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'm not upholding it. There's nothing I can meaningfully add to what our investigator has explained, and I agree with her findings. I'm satisfied that Barclaycard has given an adequate explanation of its decision, although I appreciate it's not as detailed as Mr C would like. He may wish to contact the CRAs to look at what is recorded on his credit file.

As regards the SAR, our investigator is correct that, if Mr C has concerns about anything when he receives the response, he should contact Barclaycard. If he remains concerned, he may be able to bring a further complaint to our service.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 9 June 2025.

Elspeth Wood
Ombudsman