

The complaint

Mr C has complained that Barclays Bank UK PLC unfairly sent him letters and texts about reducing his overdraft.

What happened

Mr C has explained that he's had the same overdraft limit with Barclays for 25 years, and has never been contacted about it. He was then surprised to receive a letter saying his limit was being reduced, with no reason given as to why. He complained about this, and was also told that his request, for contact about the overdraft to stop, would be noted and actioned. However, he has since received a further letter. He wishes to keep the overdraft facility, for emergency use.

One of our investigators looked into what had happened, but didn't think the complaint should be upheld. He felt Barclays was entitled to review overdraft facilities, and to reduce them. He also said that letters regarding overdrafts were automated, so couldn't be stopped.

Mr C disagreed. In summary, he said:

- Barclays hasn't apologised to him for saying his request would be noted and actioned, given there was further contact six months later. Legally, he should be compensated for his time and distress;
- he was told that the reason for the review was that he hadn't used his overdraft. This can't be correct, as it's not a requirement in the terms and conditions that the overdraft be used;
- he's not been provided with an explanation as to why, when his account has higher credit turnover than it has before, and he has a high credit score, there was a need for either a review or a reduction;
- he's not been told why a review was suddenly carried out, when there hadn't been one for 25 years, and why it was then done twice within a year; and
- that automated notifications can be overridden by inputting/changing coding.

The complaint's now been passed to me.

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. I know this will be disappointing for Mr C, but I'll explain why.

It's clear from the terms and conditions of the account that Barclays may undertake periodic

reviews of overdrafts. Indeed, this is done automatically. Mr C agreed to the account terms. And, I see nothing inherently unfair about two reviews being carried out in one year. That's one review every six months, which doesn't strike me as being excessive. And the fact that Mr C hadn't been contacted previously has no bearing, to my mind, on whether Barclays should not carry out reviews going forward. Indeed, I'd expect it to, as a responsible lender.

Mr C has said there's no requirement for him to use his overdraft. Although this is correct, there's equally no requirement for Barclays to provide one, or for it to be at a limit chosen by a customer.

As regards Mr C receiving further correspondence, it has been explained that this is automated. I don't think it would be proportionate for any coding to be overridden, particularly as I think it reasonable (and indeed, appropriate) for Barclays to keep Mr C updated as to his overdraft status. And I can't see there was excessive correspondence. Although Mr C may have been misadvised as to whether the correspondence would stop, I don't think errors always require compensation (and I'm not aware of any law regarding this being the case). And here, I consider it to be a minor error, such that compensation would not be reasonable.

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 22 December 2025.

Elsbeth Wood
Ombudsman