

The complaint

Mr S complains Creation Consumer Finance Ltd (“Creation”) unfairly decreased the credit limit on his running-credit account and failed to tell him about it.

What happened

On 11 February 2025, Creation reduced Mr S’s credit limit from £5,000 to £200 following an account review.

Mr S said he didn’t understand why this happened given his strong credit score. He also said Creation didn’t tell him about the reduction. He complained to Creation soon after.

In its final response dated 20 March 2025, Creation said the reduction was based on several factors, including information from the credit reference agencies (CRAs) and its internal lending criteria, which it couldn’t disclose.

Our investigator thought Creation acted fairly and was entitled to reduce the limit. He also said Creation likely notified Mr S by email about the reduction.

Mr S disagreed. In particular, he said Creation’s inability to produce a copy of the credit limit reduction email, which he maintains he never received, means Creation unlikely sent it.

His complaint has come to me for a 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.

While I might not comment on everything (only what I consider key) this is not meant as a discourtesy to either party – it reflects my role resolving disputes with minimum formality. I’d like to assure both parties I’ve carefully considered everything they’ve sent.

Lenders are generally free to set and change credit limits in line with their policies and risk appetite, provided they act fairly and comply with law, regulation, and relevant industry standards. Importantly, a strong credit score doesn’t guarantee a particular credit limit.

Creation shared confidential information with us about its internal risk controls explaining why it reduced Mr S’s limit from £5,000 to £200. Having reviewed that material, I’m satisfied there was no process or human error and that the decision was made using risk-based criteria in line with Creation’s policies.

I appreciate why Mr S would have preferred a fuller explanation. But firms aren’t required to disclose every aspect of their assessments or the detail of their internal checks, as doing so could undermine the effectiveness of those checks.

With that in mind, I find Creation’s explanation that its decision relied on multiple factors, including its internal lending criteria, was proportionate. While that might not provide the

detail Mr S wanted, I don't consider Creation to have acted unfairly here.

Turning to the question of whether Mr S had been notified of the credit limit reduction, like our investigator I find that Creation likely notified him. I'll explain.

Creation's records show that on 11 February 2025 Creation raised a request for a credit limit reduction notification to be sent to Mr S. Its system also records that an email to Mr S's email address (the same one he gave to our service) was sent on 13 February 2025 in the early afternoon, and was opened less than two hours later.

Given Mr S cannot find the email, I can appreciate why Mr S wants to see an original copy. But as Creation doesn't retain copies of system-generated customer emails, it can't produce it. However, Creation not being able to reproduce a copy doesn't mean it never sent Mr S the email. And on balance of probabilities, I find the evidence shows it's likely Creation emailed Mr S about the reduction within a reasonable time.

In summary, I find that Creation acted fairly when reducing Mr S's credit limit and notifying him of the decrease. So I won't be directing Creation to do anything further.

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 Mr S to accept or reject my decision before 6 November 2025.

Alex Watts
Ombudsman