

The complaint

Mr Q complains that Barclays Bank UK plc trading as Barclaycard ('Barclaycard') reduced his credit card limit unfairly and haven't justified or explained their decision.

Mr Q is unhappy with the impact of this and wants his credit limit increasing to £5,000.

What happened

Mr Q complained to Barclaycard when his credit limit was reduced on the basis of affordability concerns. Barclaycard didn't uphold Mr Q's complaint, saying they'd reduced the credit limit in line with their terms and conditions based on information they'd reviewed.

Mr Q asked the Financial Ombudsman Service to investigate, adding that he was entitled under data protection laws to see Barclaycard's calculations of affordability, and he also wanted a manual review. Mr Q said Barclaycard were in breach of Principles 6 and 7 of the Financial Conduct Authority's handbook ('FCA Handbook') and had exposed him to foreseeable harm in breach of the Consumer Duty. He referred to Barclaycard's obligations in the Consumer Credit Sourcebook ('CONC') and said he'd been treated unfairly.

Our investigator said she'd considered the points Mr Q had made, but she didn't think Barclaycard had acted unfairly in these circumstances.

Mr Q disagreed, and provided an update that Barclaycard had reduced his credit limit further since his complaint was raised, which he'd found upsetting. The matter then came to me to decide.

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 considered any relevant law and regulations, the regulator's rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

The parties should note I have not responded to every individual point raised – I am not required to do this – but I reassure both parties I have reviewed all the available evidence and submissions and focused on what I consider to be relevant to resolving this matter.

Having done so, I have decided not to uphold Mr Q's complaint for broadly the same reasons as those reached by our investigator. I'll explain why.

The role of the Financial Ombudsman Service is to resolve individual complaints based on what is fair and reasonable in the circumstances of each case. So it is not for this service to interfere with a firm's processes, systems or controls nor to fine or punish a business. Those are considerations for the Financial Conduct Authority ('FCA'), as the regulator.

The Financial Ombudsman Service is also limited to considering the complaint a business has had a chance to answer. This means I won't consider the further reduction in Mr Q's credit limit, or his concern that Barclaycard are in breach of data protection and human rights laws. I think it's also helpful to say that we typically wouldn't investigate complaints about data handling as this is the role of the Information Commissioner's Office ('ICO'), and we don't make legal determinations as this is the role of the courts.

At the heart of this complaint is Mr Q's concern that Barclaycard's decision has been unfairly based on affordability when this isn't a problem for him. I can see that Mr Q has paid the minimum payment for this credit card each month. I acknowledge Mr Q only wanted the card for the 0% interest promotion, which he feels has now been snatched away.

To get to the bottom of this Mr Q wants to see Barclaycard's assessment of his creditworthiness to see if the decision to reduce his limit was fair and taken in good faith. I disagree that Barclaycard need to provide Mr Q's creditworthiness assessment for me to decide if they've acted fairly.

I say this because Barclaycard can review Mr Q's credit limit and reduce it in line with the terms and conditions Mr Q agreed to when he obtained the account. This is a business decision for Barclaycard to take, just as Mr Q can decide who he banks with. I know this is frustrating for Mr Q but I wouldn't expect Barclaycard to share commercially sensitive information about their lending criteria with him in these circumstances.

Mr Q referred to the Lending Standards Board's Standards of Lending Practice for Personal Customers. These were withdrawn on 31 March 2025 but were a voluntary set of lending practices for UK lenders to sign up to. One of the expected standards was for a subscribed firm to give the main reason if they refused a customer's application for credit. I think it's good industry practice for the main reason to be given where there's a credit limit reduction. I can see Barclaycard provided the main reason for their decision in their letter to Mr Q dated 7 February 2025.

I think Mr Q makes a good point about a manual review being appropriate here. The ICO says that a consumer who has been subjected to an automated decision on important matters, such as Barclaycard's determination of Mr Q's credit limit, has a right to human intervention. I'm satisfied Barclaycard undertook a manual review when Mr Q complained. This was referred to their underwriters and they confirmed that no error was made.

Mr Q has highlighted that Barclaycard's lack of transparency is in breach of Principle 6 and Principle 7 of the FCA Handbook, and he's been caused foreseeable harm in breach of the Consumer Duty. He says Barclaycard obstructed his understanding of why they reduced his limit, which doesn't help him in future.

The Consumer Duty sets a higher standard than both Principle 6 and Principle 7 which are about fair treatment and fair communication. The Consumer Duty is a regulatory requirement for firms to put customers at the heart of their considerations, with an overarching principle that they "must act to deliver good outcomes for retail customers."

However, it should be noted this doesn't equate to the customer always being able to have the outcome they want. I don't think it means that Mr Q can expect to avoid the consequences of Barclaycard's decision – such as the potential impact on his credit score, and the loss of the previously available credit and interest promotion.

Having considered everything, I think Barclaycard can demonstrate they met their obligations here. I can see consideration was given to Mr Q's circumstances as the reduction wasn't below Mr Q's level of spending. Barclaycard gave the main reason for the credit limit

reduction, offered their support and signposted Mr Q to free and independent sources of advice. Barclaycard directed Mr Q to his credit file and indicated they'd be able to review their decision in six months' time, should he wish to pursue a higher credit limit in future. And when Mr Q questioned the decision, Barclaycard referred the matter to their underwriting team for a review.

In these circumstances I haven't found that Barclaycard treated Mr Q unfairly. I am sorry to disappoint Mr Q, as I know he feels strongly about this matter, but this means I don't uphold his complaint.

My final decision

For the reasons I've outlined, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 15 October 2025.

Clare Burgess-Cade
Ombudsman