

The complaint

Mr P complains American Express Services Europe Limited ('Amex') unfairly reduced his credit card limit which caused him financial difficulty. He complains Amex haven't supported him.

Mr P wants a full review, for Amex to adjust how they operate, and for Amex to increase his compensation.

What happened

In May 2025 Mr P complained that Amex had reduced his credit limit from £32,100 to £14,600 which gave him very little flexibility. Mr P felt Amex had failed to support him.

Amex accepted they hadn't connected Mr P to an online chat and paid Mr P £75 compensation. Amex didn't agree they'd got things wrong when reducing Mr P's credit limit.

Our investigator considered Amex should've done more to support Mr P and could've given advance notice of the decreased credit limit. He recommended that Amex increase Mr P's compensation to £175 in total. Amex accepted the recommendation although they didn't agree about giving more notice.

Mr P sought an ombudsman's decision, saying Amex had failed to support him as a vulnerable customer. Mr P complained about how Amex had handled his account after May 2025, and said Amex were in breach of their regulatory obligations.

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 taken into account 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 that I may not mention every detail I've been referred to. 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.

I agree with our investigator about how this complaint should be resolved. I think Amex should pay Mr P a further £100 (£175 in total) for his distress and inconvenience. I'll explain why.

I think it would be helpful to explain 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. I can't interfere with Amex's processes, systems or controls nor can I fine or punish them. Those are considerations for the Financial Conduct Authority ('FCA'), as the regulator.

I don't think Amex needed to give Mr P advance notice of the credit limit decrease under the terms and conditions. I don't consider the decrease was disadvantageous as the credit limit was not reduced below Mr P's usual or current level of spending. I think it's accepted industry practice not to notify customers in advance of a credit limit decrease as this may lead to a sudden increase in spending. While my view on this point differs to our investigator's, I don't consider this has a material bearing on the outcome of this complaint.

I'd expect Amex to give a headline reason for the decreased credit limit, and I'm satisfied this was provided in Amex's notice of the change and during an online chat.

Given this was an automated decision, I'd expect Amex to undertake a manual review of the credit limit decrease upon request. I think Amex fairly set out the ways in which Mr P could challenge the decision and initiate a review, but Mr P decided not to pursue this.

Mr P says Amex breached the Consumer Duty because cutting his credit limit caused him foreseeable harm, but I've taken a different view. The Consumer Duty is an obligation on firms to "*act to deliver good outcomes for retail customers*" but this does not equate to the customer always getting the outcome they want.

I agree I'd expect Amex to avoid causing foreseeable harm to Mr P. But I don't agree this means Amex should've given Mr P more flexibility in his remaining credit limit. I think it means Amex needed to identify signs of financial difficulty and consider how reducing Mr P's credit limit may affect his ability to manage his finances. I'd also expect Amex to offer Mr P appropriate support.

Mr P wasn't in breach of his agreement with Amex in the lead up to the decrease in November 2024, but Mr P's statements show he wasn't paying more than his minimum payments. Mr P's balance was £4,835.83 in May 2024 and this increased to £12,930 by October 2024. On that basis, I think there was a reasonable basis for Amex's affordability concerns. I don't agree Mr P's spending demonstrates a strong reliance on the card for essential living expenses. I think Mr P's spending shows that his debt was likely to significantly increase if Amex didn't take steps to limit this.

Amex offered support to Mr P and explained how Mr P could restore his credit limit going forward. Amex also contacted Mr P in May 2025 with ways to bring his account out of persistent debt.

I acknowledge Amex's actions felt very unfair to Mr P, but I don't think Amex have treated him unfairly when reducing his credit limit.

I've next considered Amex's support of Mr P as a vulnerable customer. Mr P says he requested written communication due to the adverse impact that telephone contact has on his mental health, but Amex insisted on telephone communication. Mr P says this was inappropriate and may also represent a failure to make reasonable adjustments.

I recognise the FCA has set out guidance for firms about how they engage with vulnerable consumers. But I am also mindful that it would be unreasonable to expect a firm to change or adapt how they are interacting with a customer if they are not aware of a need to do so.

I am satisfied from the online chat in November 2024 that Mr P engaged with Amex in writing regarding the reasons for the credit limit decrease and the appeal options. I can't see that Mr P told Amex of his communication needs at that time, or that Amex should adjust how they communicated with him.

On 6 May 2025 Amex provided Mr P with a telephone number to use during an online chat. Mr P said, *"I do need to clarify again that due to personal health reasons (redacted)...I'm unable to speak on the phone. This is why I've reached out in writing and asked for this to be escalated through written channels."*

I think Amex fairly offered to connect Mr P to an online chat with another department, in response. Unfortunately this didn't happen, which Amex accept was poor service. Had this happened, I think it's likely a payment plan or forbearance measures would have been discussed using Mr P's preferred channel of communication. This wasn't followed up until Amex's final response letter, which said Mr P could contact Amex using the web chat, email or post. Amex arranged £75 compensation for Mr P, but I agree with our investigator that this doesn't fairly recognise Mr P's distress and inconvenience. I agree £175 in total is a reasonable sum in these circumstances.

Mr P says Amex are in breach of the FCA's Consumer Credit sourcebook ('CONC'), which sets out that firms need to deal with customers in default or arrears fairly with forbearance and due consideration.

In support of this Mr P has referred me to Amex's mobile alerts and calls, and their collections process, which he's experienced since he complained to Amex. He feels this has been excessive and detrimental, particularly as he's requested no telephone contact. I have also seen the figures Mr P has sent me to show this is an escalating and highly stressful situation for him. I can see that it is, and I am sorry to hear that it's affected his health and wellbeing so significantly.

I know this will disappoint Mr P, but I don't have the power to consider recent events in this decision. I can only investigate the complaint that has already been made to Amex, which they've had a chance to respond to.

I acknowledge Mr P says Amex's recent actions give a flavour of their overall stance, which I can consider when deciding what is fair and reasonable. Mr P says he's significantly affected by Amex's actions because alternative credit card providers are limited in his location. But I am unable to agree that Amex haven't been willing to engage with Mr P in writing or offer him their support. Amex provided specific email addresses Mr P can use to arrange a payment plan and discuss his circumstances.

Amex say there are options to freeze Mr P's interest and reduce his payments to give him more flexibility elsewhere whilst also reducing his exposure to more debt. I think these options have been available to Mr P for some time, and I agree the onus is now on Mr P to contact Amex. This will enable Amex to get a full understanding of Mr P's personal circumstances, record these with his consent, and offer him meaningful and tailored support.

Mr P can authorise a third party to contact Amex. Mr P may also wish to contact StepChange for independent support and advice. They are an accessible service and don't require telephone contact. Mr P can use their online debt advice tool at <https://www.stepchange.org/how-we-help/commitment.aspx>.

I am sorry not to be giving Mr P the outcome he hoped for. I uphold Mr P's complaint regarding the level of support he received but I agree with our investigator that £175 in total is fair compensation in the circumstances of this complaint.

Putting things right

American Express Services Europe Limited must pay Mr P a total of £175 for his distress and inconvenience. So as £75 has been paid, a further £100 is payable.

My final decision

For the reasons I've outlined, American Express Services Europe Limited must put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 26 November 2025.

Clare Burgess-Cade
Ombudsman