

The complaint

Mr G complains that American Express Services Europe Limited (“AESEL”) reduced the credit limit on his credit card.

What happened

Mr G holds a credit card with AESEL. On 17 November 2024, AESEL decreased the credit limit from £5,300 to £800 and wrote to Mr G on the same day letting him know this.

AESEL said they had done this after carrying out a review that considered several factors which included any combination of:

- Mr G’s payments and spending history.
- Mr G’s level of indebtedness to AESEL and other creditors.
- Mr G’s financial situation within his credit report.

In late December 2024, Mr G contacted AESEL to complain about the reduction. He said he didn’t receive the notification from AESEL of 17 November 2024. AESEL says they told Mr G he had 30 days from that date to appeal their decision, but he was now outside of that timeframe.

Mr G told AESEL he was unwell and in hospital during the 30 days and AESEL says they asked him to send evidence of this to see whether they would make an exception for him and review their decision. But AESEL subsequently said Mr G hadn’t provided sufficient evidence showing he couldn’t contact them during the full 30 days.

Mr G remained unhappy and referred his complaint to our service. Our investigator thought AESEL should have given Mr G prior notification of their intention to reduce the credit limit and recommended that they pay him £100 for the inconvenience this caused him. But he didn’t recommend that AESEL reinstate Mr G’s previous credit limit.

AESEL didn’t agree with our investigator’s view on notifying Mr G about the credit limit reduction. So, the complaint was passed to me for a decision. I issued my provisional decision on 10 November 2025, relevant extracts of which I include below.

‘Mr G is unhappy that AESEL reduced the credit limit on his card. It’s important to note though that a credit limit isn’t a ‘right’ that a consumer has. Instead, a credit limit is provided at the discretion of the credit provider. The terms and conditions of a credit account generally include (and in this instance, did include) that the credit provider can reduce a credit limit on an account, if they see fit to do so.

In this case, AESEL did see fit to reduce the credit limit on Mr G’s account and did so with immediate effect on 17 November 2024. AESEL’s decision about this doesn’t seem unfair or unreasonable to me, given their right to do so. Even if I’m wrong about that, I haven’t seen evidence this financially impacted Mr G.

Our investigator felt AESEL should have given Mr G advance notice of the reduction. But when a credit limit is being reduced, it's often the case that a credit provider won't provide advance notice of the reduction. This is because if they did so, it could potentially allow the account holder to undertake further spending and take the balance of the account beyond what the credit limit was being reduced to, so that when the reduction is applied, the account is immediately over its limit and incurs charges as a result. So, I don't think AESEL were obliged to give Mr G advance notice of their decision.

I note Mr G has said he didn't receive the notification from AESEL of 17 November 2024. I gather this was sent by AESEL to Mr G by e-mail. It's possible Mr G didn't receive this, but I haven't seen persuasive evidence that AESEL didn't send this or sent this to the wrong e-mail address. So, I don't think AESEL made any errors in respect of this. AESEL did though say they would consider reviewing their decision, bearing in mind Mr G said he was unwell during the 30 days AESEL set for him to appeal their decision. But ultimately, that was a gesture of goodwill from AESEL and that isn't in my view grounds to say that AESEL should now reinstate the previous credit limit.

I appreciate Mr G feels AESEL treated him unfairly. But, for the reasons I've set out above, I haven't currently seen sufficient reason to direct AESEL to reinstate his previous credit limit as he's requested. So, I don't intend to uphold Mr G's complaint'.

I asked Mr G and AESEL to send me any further comments or evidence to consider. AESEL replied saying they noted the contents of my provisional decision and didn't provide anything further for me to consider.

Mr G disagreed with my provisional decision. He said:

- AESEL didn't ask him to provide medical evidence to justify an exception to the 30-day appeal period, as I had claimed.
- He didn't receive the e-mail from AESEL from 17 November 2024.
- I failed to consider the pattern of historic conduct as AESEL reduced his limit multiple times, and when he responded about this, they reinstated it on each occasion.
- His repayment conduct over 15 years disproves any suggestion of increased risk to AESEL.
- AESEL regularly authorises spending in excess of £100,000 a month on one of his accounts and he has paid this in full each month.

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'd like to thank Mr G and AESEL for their replies to my provisional decision.

I've noted that Mr G says he didn't receive the e-mail from AESEL of 17 November 2024. It's entirely possible Mr G didn't receive this. I have though seen evidence from AESEL that this was sent to Mr G by e-mail and the e-mail addresses matches the one he gave us. I've looked at what that e-mail said and, along with giving reasons why AESEL had reduced the limit, it also gave Mr G several options if he wanted AESEL to reconsider their decision.

As I've said, it's entirely possible that Mr G didn't receive the e-mail. And I note Mr G disputes my claim that AESEL asked him to provide medical evidence to determine whether

they would review their decision. However, AESEL didn't give any guarantees they would reinstate the credit limit, irrespective of how Mr G might have challenged this. And I haven't seen sufficient evidence that AESEL likely would have reinstated this, had Mr G sent information to them, including comments about how he managed the account and others held with AESEL. Nor can I be sure that Mr G would have given those reasons to AESEL to appeal their decision.

I of course understand why Mr G would have been disappointed and frustrated by AESEL's decision. But he hasn't mentioned that AESEL's decision financially impacted him, such that it might have been possible for me to find that AESEL acted unfairly by, for example, reducing the limit immediately.

Overall, I haven't seen enough evidence to make me think AESEL acted unreasonably in reducing the credit limit or in not reviewing that decision, such that I would be able to direct them to reinstate the limit to its previous level.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 15 January 2026.

Daniel Picken
Ombudsman