

The complaint

Mr D complains that Barclays Bank UK PLC trading as Barclaycard have reduced his credit limit on his account and lied to him about his creditworthiness.

What happened

Mr D says that he tried to book a holiday with his Barclaycard, but the transaction was declined. He says he contacted Barclaycard about this, and he was told the decline was due to his credit limit being exceeded. Mr D said that up until 2021, he had a Barclaycard Reward card which had a £14,000 credit limit and he was encouraged to change to a different type of Barclaycard credit card to collect points. He says he was not told his credit limit would be lowered as a result of this to £3,500. Mr D says when he contacted Barclaycard about this he says he was lied to, and he was told several different reasons of why the credit limit changed. Mr D made a complaint to Barclaycard.

Barclaycard partially upheld Mr D's complaint. They said a credit limit can be decreased for a number of reasons including existing debt held with them across different products. They said Mr D's credit limit is reviewed using a combination of several factors and therefore they may not be able to give him the exact reason as to why his credit limit cannot be increased. Barclaycard said they credited Mr D with £20 as a gesture of goodwill for any pending membership fee that month and they also credited his account with £25 due to him being upset by the call handlers explanation as to why his credit limit was lowered. Mr D brought his complaint to our service.

Our investigator did not uphold Mr D's complaint. She said Barclaycard didn't reduce Mr D's credit limit as the evidence provided shows they transferred the same limit he had on his previous card to the new account. She said although Mr D has said he has never been a joint account holder on any account, based on the information provided by Barclaycard, Mr D is an authorised user on another Barclaycard account.

Mr D asked for an ombudsman to review his complaint. He made a number of points. In summary, he said Barclaycard lied to him about how creditworthy he is, they downgraded his credit limit without informing him, and he doesn't have any joint accounts with Barclaycard.

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.

Mr D has made a number of points to this service and I've considered and read everything he's said and sent us. But, in line with this service's role as a quick and informal body I'll be focusing on the crux of his complaint in deciding what's fair and reasonable here.

Both parties do not agree that Mr D had a £14,000 credit limit with Barclaycard. When it comes to complaints where it's one word against another, I have to consider the evidence available to me. I then have to weigh the evidence against the balance of probabilities, that is, what's more likely to have happened in the circumstances.

Barclaycard have provided evidence that Mr D's Reward Barclaycard was opened on 11 May 2021. The system screenshot which they provided us with this information also shows a credit limit of £3,500 on this account. I have looked at the first statement that was issued for his account which is dated 20 May 2021. This shows a £3,500 credit limit. So I'm satisfied that Mr D's account was approved with a £3,500 credit limit and not a £14,000 credit limit.

I've looked at Mr D's credit card statements from account opening to June 2023. And I have checked each statement he has been issued during this timeframe. From his 20 May 2021 statement to his 19 July 2022 statement it shows at the top of page one of each statement "*Your Barclaycard Rewards statement*". On page one it also shows "*Your current credit limit*" as £3,500. So I'm satisfied that Mr D's credit limit was initially £3,500 on his Rewards account and stayed the same throughout. Mr D's last Rewards statement on 19 July 2022 shows "*Your new balance*" of £885.65 with his direct debit to be paid on 15 August 2022. His next statement dated 17 August 2022, shows the name of his new account and number at the top of the page and it shows "*Your previous balance*" of £885.65. Page two shows the direct debit did collect the payment on 15 August 2022, so I'm satisfied the statements flow and continue even if the number shown at the top of his statement changes when he changed the account type.

To ensure Mr D's credit limit hadn't changed on his new type of account, I checked every statement from August 2022 to his June 2023 statement, and every single statement showed a credit limit of £3,500. So the evidence shows that from account opening (May 2021) to June 2023 at least, that the credit limit for Mr D's account was always £3,500. So I'm satisfied that Barclaycard did not reduce Mr D's credit limit. And Mr D has been unable to provide any evidence that he had a £14,000 credit limit on this account.

Mr D said on his complaint form to our service that his partner took out the card at the same time as what he did. He says his partner was granted a £14,000 credit limit, while Mr D's credit limit was £3,500. Barclaycard have provided us with data which shows that Mr D is an additional cardholder (not a joint account holder) on an account with a £14,000 credit limit, where both cardholders live at the address Mr D told us he lives at. I'm aware Mr D disputes that he is an additional cardholder on another account. As an additional cardholder, he would not be provided statements addressed to him, unlike the ones he gets as part of his Barclaycard which he has complained about here where he is the sole cardholder. Our investigator has sent Mr D screenshots of him showing as an additional cardholder and Mr D continues to dispute this. Mr D or the main cardholder for the other account may wish to complain separately to Barclaycard if they believe Mr D shouldn't have been added as an additional cardholder (sometimes referred to as an authorised user).

I've considered what Mr D has said about Barclaycard staff saying he was not creditworthy. I can see that Mr D did apply for a £14,000 credit limit on 9 November 2022, but this was not agreed by Barclaycard. Mr D also made a complaint on the same day. I've looked at the call notes and Mr D mentions that his credit limit is dropping on his Barclaycard, but he doesn't know why, and the notes show that he says he had been told it was to do with his credit score. But as Mr D has sent us his credit score from one credit reference agency, he has what would be considered a perfect credit score. And as the evidence suggests, for the reasons I've said above, his Barclaycard credit limit was not reduced.

So it would appear the call handlers he spoke to took Mr D at his word and guessed (or provided possible reasons) why a credit limit would be reduced. Often, financial institutions will not make their credit limit criteria public knowledge – even to their own staff – and they are not required to publish this as this is a commercial decision for Barclaycard to make. Not publishing this can also help them avoid people potentially trying to get round their criteria. The call handlers here should have checked to see if Mr D's credit limit was actually

decreasing, and they would have been able to reassure him that his credit limit hadn't changed since his account was first opened (based on his statements showing the same £3,500 credit limit) and explained they would not be aware of the reasons for them being unable to grant him an increase of four times as much as his current (and original) credit limit from £3,500 to £14,000.

Barclaycard credited Mr D with £25 for the explanation of why a credit limit could be lowered. While his credit limit wasn't lowered based on what the evidence shows, I think this compensation is fair if Mr D felt Barclaycard staff were inferring that he wasn't creditworthy enough and that is why a credit limit could be decreased (or his credit limit couldn't be increased to £14,000). To evidence to Mr D that his credit limit on his account was always £3,500, if Mr D wants a copy of his statements showing this, he will be able to request a copy of them from our investigator if he has not kept a copy of them, to show the credit limit on each statement shows £3,500. But it follows I don't require Barclaycard to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 30 August 2023.

Gregory Sloanes
Ombudsman