

## **The complaint**

Mr A complains that National Westminster Bank Plc ("NatWest") unfairly recorded a default marker on his credit file, following its decision to write off a debt.

## **What happened**

Mr A says NatWest closed his current account without warning and asked for repayment of his overdraft in January 2015. Mr A complained about this, and around this time also made separate complaints about alleged mis-sold products. Mr A says NatWest told him if he didn't pursue his complaints, it would stop chasing him for the overdraft debt and write it off.

Mr A since discovered the debt being written off left him with a default on his credit file. He said he saw this after applying and being declined for a mortgage. Mr A says NatWest never told him this would happen, and its error has caused him stress and inconvenience.

NatWest said in 2015 it investigated complaints about closing Mr A's account, as well as accusations of mis-selling about a packaged bank account and life insurance. It said Mr A never repaid his overdraft after the account was closed and it was passed to recoveries in April 2015, then defaulted in August 2015.

NatWest said it took the commercial decision to write off Mr A's debt in December 2016 and that its decision was unrelated to any other complaints he'd made.

Mr A brought his complaint to our service and said NatWest should remove the default from his credit report, and asked for compensation.

Our investigator didn't uphold the complaint. She was satisfied NatWest had informed Mr A of the account closure in January 2015, and the consequences of not settling the outstanding balance. And she said this information was repeated in NatWest's final response letter of March 2015. So she said NatWest had acted fairly and reasonably and recorded the lack of repayment accurately on his credit file.

The investigator also said we were unable to consider any of the complaints brought about mis-sold products as they were brought too late.

Mr A disagreed, making reference to data protection laws and human rights legislation. This didn't change our investigator's view so the complaint has been passed to me for an ombudsman's final 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.

Having done so I'm not upholding this complaint for the same reasons our investigator has previously given. I'll explain why.

Mr A's complaint is about the default on his credit file. It's not in dispute that Mr A didn't settle the debt. But he feels NatWest shouldn't have recorded the lack of settlement as it did, because he thinks it didn't give him proper notice of what would happen. And that its decision to "write off" the debt should void the debt entirely.

NatWest has explained its decision to "write off" the debt did not mean Mr A was no longer liable for it, instead simply that it wouldn't pursue him for it. So it's said it won't change how this was recorded unless Mr A settles the debt. I think this is a fair, and it follows that I'm satisfied NatWest's actions are in line with the relevant rules and its obligations to maintain accurate records.

NatWest has also shared a letter with us that it said was sent to Mr A at the time of the account closure. I'm satisfied this was sent to Mr A's address based on its internal notes. This said if repayment of the debt wasn't received within 60 days a default could be applied. So I'm satisfied he was informed of the obligation to settle the debt and the potential consequences if he didn't.

Mr A has made reference to various laws related to data protection and human rights that he's said have been infringed. But I disagree and I'm not persuaded these apply to this case. Mr A has also made reference to previous complaints he made in 2015. For the reasons our investigator has given, I'm not going to comment on these any further.

### **My final decision**

For the above reasons I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 18 June 2020.

Jack Baldry  
**Ombudsman**