

## **The complaint**

Mr G complains that National Westminster Bank Plc won't write off the outstanding balance he owes.

## **What happened**

Mr G had a credit card with NatWest, but due to the pandemic, he encountered financial difficulties, and he was unable to keep up with the repayments. The account defaulted, and the account was passed to a debt management company (DMC). Due to Mr G's age, health conditions and personal circumstances, he asked for NatWest to write off the remaining balance, instead of them requiring him to make repayments of around £3 a month. NatWest rejected this request. Mr G says another credit card company agreed to write off the outstanding balance, so he wanted NatWest to do the same. Mr G made a complaint to NatWest.

NatWest did not uphold Mr G's complaint. They said on reviewing his account and speaking to their Specialist Support Team, they advised they would not be able to consider writing the balance of his credit card off, as this is not in line with their standard process. Mr G brought his complaint to our service.

Our investigator did not uphold Mr G's complaint. She said NatWest had shown Mr G forbearance as breathing space had been applied, they agreed a reduced repayment plan, and all interest and charges were stopped upon the default meaning the debt would not increase. She said there was no obligation for NatWest to offer to write off the debt as this would be a business decision for NatWest to make.

Mr G asked for an ombudsman to review his complaint. He made a number of points. In summary, he said it would take more than 329 years to repay the outstanding debt to NatWest at the monthly rate they have set, it was unfair treatment that they wouldn't write off the balance as another company have been able to write off the balance for him on another debt he had, he is serious financial difficulty, he was affected due to the pandemic, and if NatWest don't write off the debt he is likely to have to declare bankruptcy.

## **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 G has made a number of points to this service, and I've considered and read everything he's said and sent us. This includes information about his health and personal circumstances. While I won't allude to these things specifically in this decision to protect Mr G's identity, I want to assure him I've read everything he's told 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.

I'd like to explain to Mr G that it is not within this service's remit to tell a business how they should run their write off policies and procedures. It would be the role of the regulator – the

Financial Conduct Authority, who have the power to instruct NatWest to make changes to their policies and procedures, if necessary.

Although Mr G has told us another company has wrote off a separate debt that he owed them, each business is entitled to have their own write off policies and procedures. So although a separate company wrote off his debt, I'm unable to say NatWest should have done the same here, as it's not their process to do so in the circumstances Mr G is currently in.

While I don't dispute how long Mr G has told us it would take him to pay off the debt, and the debt wouldn't be repaid anyway due to this, an arrangement was put in place based on what Mr G could afford. If Mr G's circumstances have changed since this has been agreed, I would urge him to contact the owner of his debt to make them aware of his financial position. I would expect them to show Mr G forbearance and only to arrange a plan Mr G can afford. If Mr G feels they haven't done this after he's spoken to them, then he might want to make a complaint to them. If he is not happy with the outcome of this separate complaint then he may be able to bring the new separate complaint to our service.

Mr G has said that if NatWest don't write off the debt he is likely to have to declare bankruptcy. So because he's told us this, and that he's having financial difficulty, his best course of action would be to speak to them to see what they can do. While they have been clear they won't write off the outstanding balance, they may be able to pause Mr G's repayments or collection activity until his financial situation improves, or they may have other solutions which might be of use to Mr G. But he will need to contact them to discuss what help is available for him. But as NatWest aren't obliged to write off the outstanding balance, even if Mr G's financial difficulties stem from the pandemic, I won't be asking NatWest 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 G to accept or reject my decision before 19 August 2024.

Gregory Sloanes  
**Ombudsman**