

## The complaint

Mr C complains about the poor customer service that he's received from National Westminster Bank plc and the incorrect information that it's provided about his credit card account.

## What happened

Mr C has two credit cards account with NatWest, one ending 6298 and the other ending 9370. NatWest wrote to him in March 2023 and said: *"We wrote to you recently to say that your credit card repayments were relatively low in comparison to the account balance and this meant that you had paid more in interest (and any fees/charges) than you repaid from the amount borrowed"*.

Mr C replied to that letter in May 2023 and said: *"I would be grateful if you could check your records as I do not see how it is possible I have paid more in interest than repayments. Plus my account card is already suspended"*. NatWest didn't respond to that letter but it sent Mr C a letter in February 2024 to tell him that it had closed his credit card account.

Mr C complained to NatWest and it responded to his complaint in June 2024. It apologised that it hadn't responded to his May 2023 letter and it credited £50 to his bank account as a gesture of goodwill. It didn't agree that there had been an error with the interest rate as it was following its correct process. It said that it was unable to offer a reduction of interest or suspend interest charges.

Mr C wasn't satisfied with its response so complained to this service. He says that NatWest wrongly says that: his account was closed in February 2024; he's paying more in interest than repayments; and it can't reduce the interest rate. His complaint was looked at by one of this service's investigators who, having considered everything, didn't think that it should be upheld as he didn't see that NatWest had acted unfairly. He said that it had failed to respond to Mr C's initial complaint and had apologised and paid compensation for the delay but otherwise had acted in line with the account terms and conditions and within the guidelines set for dealing with persistent debt.

Mr C didn't agree with the investigator's recommendation and asked for his complaint to be considered by an ombudsman. He says that the account was closed over four years ago and it's impossible for him to have incurred more in interest than repayments. He also says that the £50 compensation only really covers his time and expense in pursuing NatWest and doesn't provide any redress for its repeated failures to respond to letters of complaints from customers.

## 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 C has two credit card accounts with NatWest, one ending 6298 and the other ending 9370. He has said that his complaint relates to both of those cards but the letters that

NatWest sent to him in March 2023 and February and June 2024 and the letter that Mr C sent to NatWest in May 2023 were all headed with the account number ending 6298 and related to that account. So in this decision, I'm only considering Mr C's complaint about the account number ending 6298.

Mr C has provided account statements for the period January 2021 to June 2024 and he says that the account has been closed for more than four years. It's clear that, other than the monthly interest charge and a monthly payment from Mr C, there has been no activity on the account during that period. NatWest wrote to Mr C in February 2024 to say that it had closed the account. Mr C hasn't provided any evidence to show that the account was closed before February 2024 and I don't consider it to be likely that NatWest would have written to him in February 2024 to say that it had closed his account if the account had already been closed. I'm not persuaded that there's enough evidence to show that NatWest has given Mr C incorrect information about the account closure.

The letter that NatWest sent to Mr C in March 2023 said that he had paid more in interest than he repaid from the amount borrowed. Mr C says that that's impossible. But I can see from the account statements that for every month since August 2021 the interest charge has been more than half of the repayment made by Mr C. For example, in August 2021 his repayment was £15 and the interest charge was £8.76 so £6.24 was used to reduce the outstanding balance. £6.24 is less than £8.76 so Mr C paid more in interest than he repaid from the amount borrowed. The same is true for June 2024 when Mr C made a repayment of £10.75 and the interest charge was £6.17 so £4.58 was used to reduce the outstanding balance. I don't consider that NatWest was incorrect to say in March 2023 that Mr C was paying more in interest than he was repaying from the amount borrowed.

NatWest said in its June 2024 response to Mr C's complaint that it was unable to offer a reduction of interest or suspend interest charges but Mr C says that NatWest had previously told him that it was possible to review the interest rate on his account. NatWest is almost always able to reduce the amount of interest that it charges a customer. I read its June 2024 as saying that it had decided not to reduce the interest rate on Mr C's account rather than, in effect, saying that it was prohibited from reducing the interest rate. I'm not persuaded that NatWest has given Mr C incorrect information about the interest rates that it can charge.

Mr C says, in response to the investigator's recommendation, that the £50 compensation only really covers his time and expense in pursuing NatWest and doesn't provide any redress for its repeated failures to respond to letters of complaints from customers. NatWest said that that compensation was paid as a gesture of goodwill because it hadn't responded to Mr C's May 2023 letter. I'm only considering Mr C's relationship with NatWest in this decision and I've not seen evidence to show that there have been repeated failures by NatWest to respond to letters from Mr C.

I consider that NatWest's apology and the £50 that it credited to Mr C's bank account were a fair and reasonable response to its failure to respond to Mr C's May 2023 letter. I'm not persuaded that there have been any other customer service failings or that NatWest has given incorrect information to Mr C. So I find that it wouldn't be fair or reasonable in these circumstances for me to require NatWest to pay any more compensation to Mr C or to take any other action in response to his complaint.

### **My final decision**

My decision is that I don't uphold Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 8 October 2024.

Jarrold Hastings  
**Ombudsman**