

The complaint

Ms Y complains that National Westminster Bank Plc ("NatWest") irresponsibly provided her with a credit card account.

What happened

Ms Y complains about a number of credit products she holds with NatWest, the complaints about the other products are being dealt with separately and this decision only addresses her complaint about the credit card account.

From the limited information available, NatWest provided Ms Y with a credit card in December 2013, the initial credit limit was £350, and this was increased to £600 in October 2004.

When Ms Y complained to NatWest it didn't uphold her complaint and said her complaint had been made too late.

Ms Y referred her complaint to the Financial Ombudsman Service where it was looked at by one of our investigators. Our investigator thought Ms Y's complaint had been made in time but reached the conclusion that due to the lack of information, she couldn't reach a reasonable conclusion that NatWest was unfair when it granted her the credit card or increased the limit.

NatWest agrees that the Financial Ombudsman Service could look at the complaint and accepted the investigator's view. Ms Y didn't accept the investigator's findings and asked for an ombudsman's 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.

Did NatWest lend unfairly?

NatWest will be aware of all the rules, regulations and industry practice we consider when assessing complaints about irresponsible/unaffordable lending. We've set out our general approach to these types of complaints - including all of the relevant rules, guidance and good industry practice - on our website. So, I don't think it is necessary to set it all out in this decision.

In summary, NatWest needed to ensure that Ms Y could afford to make her credit card repayments within a reasonable time. The relevant rules and regulations don't prescribe what checks need to be carried out, but the checks need to be reasonable – taking into account the specific circumstances of the consumer.

As stated above, the credit card was granted around 21 years ago, and the credit limit increase was around 20 years ago. A significant amount of time has passed since these lending decisions were made.

NatWest has said due to the passage of time, it is unable to provide any documents relating to initially granting the credit card and the credit limit increase. Ms Y has also not provided information about her financial circumstances at the time these lending decisions were made.

This makes it difficult to say NatWest was irresponsible when they agreed to lend. This is because without the relevant and pertinent information, I can't fairly say Ms Y's financial position was such that NatWest ought to have reasonably been aware she couldn't afford to keep up with her contractual repayments at the time it lent.

The only relevant information I've seen is that NatWest declined Ms Y's request to increase her credit limit on the card twice. This information on its own isn't sufficient for me to fairly conclude NatWest did anything wrong.

So, while I sympathise with Ms Y's position about the financial situation, she appears to find herself now, due to the lack of available pertinent information, I'm unable to conclude that NatWest has acted unfairly.

Did NatWest treat Ms Y unfairly in some other way?

I've also considered whether NatWest treated Ms Y unfairly in some other way, however, for the reasons I've already given, I don't have enough information to say NatWest lent irresponsibly to Ms Y or otherwise treated her unfairly in relation to this matter. I haven't seen anything to suggest that Section 140A would, given the facts of this complaint, lead to a different outcome here.

My final decision

For the reasons given above, I don't uphold Ms Y's complaint or make an award against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms Y to accept or reject my decision before 4 October 2024.

Oyetola Oduola
Ombudsman