

The complaint

Mr W complains that National Westminster Bank Plc (“NatWest”) irresponsibly granted him a credit card and a number of limit increases, unfairly refused him a new 0% interest credit card and has, on the grounds of disability, discriminated against him.

What happened

In May 2001 NatWest granted Mr W a credit card with an initial limit of £7,500.

Between May 2001 and March 2010 NatWest, on one or more occasions, increased Mr W’s limit to £11,000.

NatWest then increased Mr W’s limit as follows:

Date	time lapsed (months)	increase (£)	increase to (£)
April 2010	Unknown	£1,000	£12,000
July 2012	27	£1,200	£13,200
June 2014	23	£1,000	£14,200
March 2015	9	£1,400	£15,600
December 2015	9	£1,000	£16,600
December 2016	12	£1,000	£17,600
September 2017	9	£1,000	£18,600
June 2018	9	£1,000	£19,600

In 2023 Mr W complained to NatWest that in granting him a credit card and various limit increases it had acted irresponsibly, and that in refusing him a new 0% credit card it had acted unfairly.

NatWest didn’t uphold Mr W’s complaint so he referred it to our service for consideration.

In July 2024 Mr W complained to our service that on the grounds of disability NatWest had discriminated against him.

Mr W’s complaint was considered by one of our investigators who, in July 2024, came to the view that it shouldn’t be upheld.

In respect of the card grant and the limit increases, up to and including September 2017, our investigator concluded Mr W had provided insufficient evidence (such as bank statements) for him to be able to find that NatWest had lent to him irresponsibly.

In respect of the June 2018 limit increase our investigator concluded that NatWest should have undertaken further checks before granting it. But based on evidence provided by Mr W (which included bank statements) he was satisfied that further checks by NatWest wouldn’t have led it to conclude, nor should it have, that a limit increase of £1,000 to £19,600 shouldn’t be granted on the grounds of affordability.

In respect of being refused a 0% credit card our investigator concluded that this was a commercial decision that NatWest was entitled to make and one that it wouldn't be fair or reasonable for us to interfere with.

In respect of being discriminated against our investigator concluded that he wasn't persuaded that NatWest had done so.

Mr W disagreed with our investigator's view so his complaint has been passed to me for review and 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 can confirm that I've come to the same overall outcome as our investigator and for broadly the same reasons. There is also very little I can usefully add to what has already been said.

I would also add that I've read the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point or particular piece of evidence, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome. Our rules allow me to do this, reflecting the fact that we are an informal free service set up as an alternative to the courts.

irresponsible/unaffordable lending

We've explained how we handle complaints about irresponsible and unaffordable lending on our website. And I've used this approach to help me decide this complaint.

NatWest needed to make sure that it didn't lend irresponsibly. In practice, what this means is that NatWest needed to carry out proportionate checks to be able to understand whether Mr W would be able to make the required payments to his credit card having regards to the limit being granted. And if the checks NatWest carried out weren't proportionate, I then need to consider what proportionate checks are likely to have shown.

Our website sets out what we typically think about when deciding whether a lender's checks were proportionate. Generally, we think it's reasonable for a lender's checks to be less thorough – in terms of how much information it gathers and what it does to verify that information – in the early stages of a lending relationship.

But we might think it needed to do more if, for example, a borrower's income was low, the amount lent was high, or the information the lender had – such as a significantly impaired credit history – suggested the lender needed to know more about a prospective borrower's ability to repay.

card grant and the limit increases up to and including September 2017

The first thing for me to say is that like our investigator I'm not persuaded that I can say for certain that the checks NatWest carried out in respect of the card grant and the limit increases up to and including September 2017 were proportionate.

Now ordinarily, where a business failed to carry out proportionate checks before providing credit to a customer, I'd usually go on to recreate proportionate checks in order to get an indication of what such checks would more likely than not have shown.

However, and possibly understandably in the circumstances, Mr W has been unable to provide our service with sufficient information in order for us be able to assess what his circumstances were like at the time up to and including September 2017. And without this information I'm unable to ascertain whether proportionate checks would have prevented NatWest from granting Mr W the credit card in 2001 or the limit increases up to and including September 2017. So unfortunately for Mr W I don't uphold this part of his complaint.

limit increase in June 2018

The first thing for me to say is that like our investigator I'm not persuaded that I can say that the checks NatWest carried out in respect of the June 2018 limit increase were proportionate. So with this in mind I've reviewed Mr W's bank statements for the period before June 2018. But having done so I'm satisfied that these show that a limit of £19,600 was, in the light of Mr W's average income and average non-discretionary expenditure, affordable. So unfortunately for Mr W I don't uphold this part of his complaint.

In concluding the above, I've also considered whether the lending relationship between NatWest and Mr W might have been unfair to Mr W under section 140A of the Consumer Credit Act 1974 ("CCA").

However, for the reasons I've explained, I don't think NatWest irresponsibly lent to Mr W or otherwise treated him unfairly in relation to this matter. And I haven't seen anything to suggest that section 140A CCA or anything else would, given the facts of this complaint, lead to a different outcome here.

Finally, and for the sake of completeness, I would add that in 2018 (and prior) there was nothing that prohibited NatWest from offering and granting unsolicited limit increases to its customers, so I don't uphold any complaint Mr W might have in this respect.

NatWest's refusal to grant Mr W a new 0% interest credit card

The card Mr W wanted NatWest to grant him gave customers (who were granted it) the option of being able to transfer balances from other credit cards – but not NatWest credit cards – at an APR of 0%.

Mr W says that in not granting him this card, or more specifically in not allowing him the option of being able to transfer his existing NatWest credit card debt – in full or in part – to it at an APR of 0% if it had been granted, is unfair. However, I disagree.

In my view this is a commercial decision that NatWest is entitled to make, a decision that isn't discriminatory or otherwise unlawful and one that it wouldn't be fair or reasonable for me to interfere with. So unfortunately for Mr W I don't uphold this part of his complaint.

discrimination

Mr W has shared with us that he has a disability.

Businesses are required to make reasonable adjustments for a consumer who has a disability where they know, or ought to know, of that disability.

In this case it wasn't until very recently that NatWest was aware that Mr W had a disability. So with this in mind I can't see how I can find NatWest has discriminated against Mr W and I don't uphold this part of his complaint.

Finally, and for the sake of completeness, I would add that NatWest wasn't under any obligation to ask Mr W if he had a disability and of course it was always open to Mr W to tell NatWest he had one unprompted.

I appreciate my decision will be very disappointing for Mr W. But I hope he'll understand the reasons for it and that he'll at least feel his concerns have been listened to.

My final decision

My final decision is I don't uphold this complaint.

My final decision concludes this service's consideration of this complaint, which means I'll not be engaging in any further consideration or discussion of the merits of it.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 14 February 2025.

Peter Cook
Ombudsman