

The complaint

Mr and Mrs M's complaint is about a facility they hold with The Royal Bank of Scotland Plc (RBS) trading as The One Account.

The essence of the complaint, set out in a letter Mr M sent to RBS in the summer of 2024, is that they believe the fundamental structure of the facility changed from being an account for life to a mortgage with a defined end date, which in 2021 RBS began asking them to repay. They say this isn't what they would have chosen at the outset. They want RBS to be reported to the Financial Conduct Authority (FCA) and fined so that they put customers first.

What happened

Mr and Mrs M took their One Account out in 2002; the offer document shows that the facility was for an initial credit limit of £72,550 and a fixed term of fifteen years, so to 2017. The facility limit was varied periodically. In August 2012, Mr and Mrs M were accepted for an increased facility limit of £140,000 and a new fixed term of ten years, so to August 2022.

In an email dated 31 January 2025, Mr M told our Investigator that other than the removal of a linked credit card, the fundamental principle of the One Account remained the same until sometime in 2021 when RBS told them the facility needed to be repaid. The term expired in August 2022. In January 2023, the facility was renewed again, with a new fixed term of seven years eleven months. The initial credit limit for the renewed facility was around £90,000, at which point the balance was around £82,500. Since then, RBS has reduced the facility limit in stages, to a little under £81,000 in 2024 and to just over £71,600 in 2025.

An Investigator looked at the time limits that applied, and explained that she could only consider how RBS had treated Mr and Mrs M since 2021. When she did that, she didn't uphold the complaint. Mr and Mrs M have asked for an Ombudsman to review the Investigator's findings.

By way of a decision dated xx May 2025, I confirmed that my power to consider this complaint is confined to Mr and Mrs M's dissatisfaction with the way RBS has operated their One Account since 2021. Any reference I make in what follows to the original facility from 2002, or the amended facility from 2012 is for context, insofar as it is relevant to how RBS operated the One Account from 2021 onwards.

What I've decided – and why

I'll start with some general observations. We're not the regulator of financial businesses, and we don't "police" their internal processes or how they operate generally. That's the job of the FCA. We deal with individual disputes between businesses and their customers.

We're impartial, and we don't take either side's instructions on how we investigate a complaint. We conduct our investigations and reach our conclusions without interference from anyone else. But in doing so, we have to work within the rules of the ombudsman service, and the remit those rules give us.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The One Account was a joint venture launched in the late 1990s by RBS and another business I'll call V. It was initially branded as a V product, but the branding changed to RBS in 2003. However, the One Account has always been administered by RBS, even when it was branded as a V product.

Mr M has told us that he and Mrs M chose the One Account in 2002 because it was presented as being open-ended (in effect, "for life") rather than for a fixed period. I don't know what Mr and Mrs M might have been told orally about how the One Account worked, or who might have told them. In any event, whatever was or wasn't said in 2002 is too far back in time to fall within my remit.

What is clear to me, and in fairness I think should have been to Mr and Mrs M from the documentation they received, is that their One Account was always set up to run for a finite term with a defined end date. In 2002, the term was fifteen years, but that was superseded in August 2012 when a new term of ten years was set.

Ten years from August 2012 is August 2022, and I would expect a prudent lender to begin a dialogue with borrowers about the impending expiry of a credit facility, and their strategy for repaying it, anything up to a year in advance. That is consistent with Mr and Mrs M saying their dissatisfaction with RBS began in 2021 when it told them they needed to repay the debt.

That wasn't a change in the fundamental principle of how the One Account operated. It was entirely consistent with how the One Account had always operated from the outset. It was a variable credit facility, secured by a mortgage over Mr and Mrs M's home, with a defined end date. From 2012, that end date was scheduled for 2022, so I don't find anything unfair about RBS beginning a dialogue with Mr and Mrs M in 2021 about how they might repay their debt.

The eventual outcome of that dialogue was that the facility was renewed in January 2023, and the term extended to 2030. The credit limit is still variable, at RBS' discretion, but what has changed is the regulatory framework within which RBS must operate. Since 2014, the FCA has required lenders generally to pay much closer attention to the levels of credit they make available to borrowers. Put simply, lenders have to assess affordability to a much higher degree that they did previously.

I imagine also that RBS would wish to avoid Mr and Mrs M being in a similar position in 2029 to that in which they found themselves in 2021; that is, with the end of their facility in sight but with the credit limit close to full utilisation. It seems highly likely to me that this is what sits behind the staged reductions RBS has imposed on the credit limit since it was renewed and extended in 2023. If so, then that strikes me as the action of a prudent and responsible lender being mindful of its regulatory obligation to look out for its borrowers' best interests.

My final decision

My final decision is that I don't uphold this complaint or make any order or award against The Royal Bank of Scotland Plc (RBS) trading as The One Account.

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 9 June 2025.

Jeff Parrington

Ombudsman