

## **The complaint**

Mr E complains NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY won't remove an internal marker that's been unfairly applied against his name. He complains this marker, amongst other things, stops him applying for credit through its digital channels.

## **What happened**

Mr E has a number of accounts with NatWest. He's been a customer for over 20 years and has an excellent credit score.

Mr E has told us that he was added as a third party to his daughter's account as she needed help and support. Her daughter had an account with NatWest. He's told us that his daughter got into debt and applied for a debt relief order. That also meant her account was closed.

Mr E says that ever since his daughter's account was closed he's been unable to apply for credit from NatWest through its digital channels. He complained about this. NatWest said that the reason why he wasn't able to apply for credit through its digital channels was because an internal marker had been applied to his account. Mr E says NatWest looked into how to get this marker removed and in the meantime, because he wanted to apply for some lending to pay off a credit card, it identified manual workarounds that ultimately meant he was able to take out that loan albeit after a delay of five days. Mr E says he carried on communicating with NatWest hoping that it would find a way to remove the marker, but it didn't. He, therefore, complained to our service.

One of our investigators looked into Mr E's complaint and recommended that the internal marker be removed, Mr E be paid £100 in compensation and Mr E be compensated for the additional interest he'd paid as a result of the delay to his loan.

NatWest offered to compensate Mr E for the additional interest he'd paid but said it wouldn't remove the marker as it had been applied in line with its policy but would pay £100 in compensation. Mr E didn't accept NatWest's offer saying that what he wanted was the marker removed. Because neither party could agree, this complaint was referred to an ombudsman for a decision and passed to me.

## **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.

NatWest has agreed to pay Mr E £100 in compensation and refund £33.80 in interest. The only issue I have to decide, therefore, is whether or not it's fair and reasonable to require NatWest to remove the internal marker – or markers – it has applied to Mr E in addition to what NatWest has agreed to do already.

There's no dispute, as far as I can see, that the marker that NatWest has applied was applied because he'd been added as a third party to his daughter's account with NatWest and her account was closed after she applied for a debt relief order. I've seen nothing to suggest that Mr E was, or should have been, jointly liable for his daughter's debt. So, in the absence of a better explanation from NatWest, I agree that the marker has been applied unfairly – no-one is questioning Mr E's creditworthiness. Everyone accepts Mr E has an excellent credit score and NatWest has said it's willing to lend to him and it has lent to him since applying the marker to his profile. Any applications he makes, however, have to go through manual workarounds. I note that NatWest accepted throughout Mr E's complaint that the marker was having unfair consequences and that it was trying to get it removed but was having difficulties working out how to do so. In other words, until recently, as far as I can tell, NatWest wasn't saying it was unwilling to remove the marker, it was simply finding it difficult to work out how to do so.

In response to our investigator, NatWest said that it understood it's not within the remit of our service to instruct it to amend its own policies. That's not something I plan to do. Our service can and does, however, consider whether businesses have acted fairly in individual cases.

## **Putting things right**

In this particular case, I agree that NatWest is acting unfairly by maintaining its internal marker against Mr E. That marker is making any applications Mr E wants to make to borrow from NatWest more time consuming and difficult and is causing him unnecessary worry. I'm, therefore, going to require NatWest to remove its internal marker. Mr E has sent us a recent communication from NatWest saying that "at least one of the markers has now been removed from your file" which is confusing but equally shows, in my opinion, that the marker can be removed.

## **My final decision**

My final decision is that I'm upholding this complaint and require NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY to pay Mr E the £100 compensation and £33.80 refund that's been agreed. In addition, I require NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY to remove any internal marker – or markers – it has applied to Mr E that it hasn't yet removed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 12 December 2025.

Nicolas Atkinson  
**Ombudsman**