

The complaint

Miss O complains National Westminster Bank Plc (NatWest) acted unfairly when it placed an adverse marker on her credit file.

What happened

Miss O says in April 2025 she received notification from NatWest that her bank account was dormant and she needed to pay in a small sum to reactivate it. Miss O says in June 2025 NatWest recorded a negative marker on her credit file, despite the fact she had made several good will payments into her account, and she was waiting for an income and expenditure form to be sent for her to complete.

Miss O says NatWest never gave her any notice that her credit file would be affected in this way and it was aware she was unemployed and experiencing financial difficulties. Miss O says NatWest only sent her generic communication and has failed to deal with the matter fully.

Miss O says NatWest's actions have added to her mental health issues and it is causing her extreme anxiety and stress. Miss O wants NatWest to remove the adverse marker from her credit file.

NatWest says it has been in communication with Miss O for a long while regarding the operation of her overdraft facility, which is in excess of its agreed limit. More recently in June 2025 NatWest says it emailed Miss O explaining she needed to pay monies into her account to redress the unauthorised overdraft or to get in touch with them. NatWest says the account is with its collections team and it has asked for her to complete an income and expenditure profile, to establish if a payment plan is feasible or to decide what actions it next needs to take, but this has never been completed by Miss O.

NatWest says it correctly marked Miss O's credit file in June 2025 as part of its regulatory obligations to accurately report account activity.

Miss O wasn't happy with NatWest's actions and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator says from the information she had seen, Miss O was asked to pay into her account to reactivate it in April 2025, as no payments had been made for over six months leading up to that time.

The investigator went on to say that in a phone call in June 2025 with Miss O, NatWest asked her to complete an income and expenditure (I&E) form as soon as possible, but as this wasn't returned it was unable to discuss a possible payment plan or to consider any other options. The investigator says while Miss O says the I&E form was sent to her junk mail, she could have chased for its receipt and in any event she was aware the matter needed to be addressed.

The investigator says it was unlikely a payment plan would have been approved given Miss

O's financial situation being unemployed, but even if it had NatWest would have needed to record that on her credit file under its regulatory obligations.

The investigator says she was satisfied NatWest attempted to contact Miss O on multiple occasions, applied relevant holds and suppressed interest to allow sufficient time for the I&E to be completed. The investigator felt whatever the way forward here, NatWest would need to record the true activity on the bank account and that is what it has done here.

Miss O wasn't happy with the investigator's view and asked for the matter to be referred to an ombudsman for a final 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 won't be upholding this complaint and I will explain how I have come to my decision.

I was sorry to hear of the mental and physical health issues Miss O is currently suffering and that must be difficult for her at this time. When looking at this complaint I will consider if NatWest acted unreasonably when it placed a negative marker on Miss O's credit file.

The first thing to say here is both Miss O and NatWest have provided this service with comprehensive details of the course of events here and while that has proved helpful, I won't be commenting on every point made as I don't feel it's necessary in order to come to a full and impartial decision here. That's not to say I haven't considered everything that's been said – I have. But it's just that I don't need to comment on each individual point here in order to reach a decision on what's fair and reasonable.

Miss O's complaint centres around her view that NatWest acted unreasonably when it registered a negative marker on her credit file in June 2025, especially taking into account she was making modest payments to the account as a sign of goodwill. Miss O says she was never made clear there was a deadline to complete an I&E form that NatWest sent by email, which in fact she says she was unable to see, as it was diverted to her junk mail.

While I understand the points Miss O makes here, I'm not fully persuaded by her argument and I will explain why.

From the information I have seen Miss O had been in an unauthorised overdraft for some time and NatWest made regular contact with Miss O over many months, and in June 2025 it explained she needed to bring her account balance back within the agreed overdraft facility. It's worth adding NatWest acted reasonably here given the amount of time that had passed with the account in a hardcore unauthorised overdraft position - so in fact it wouldn't have been unreasonable of it to have asked for the full repayment much sooner. I say this because an overdraft is intended as a revolving credit line, and should be kept within its agreed limit, so it wouldn't have been unreasonable for NatWest to have demanded full repayment much sooner and to have recorded that on her credit file.

That said from the information I have seen NatWest asked Miss O to complete an I&E form and sent this by email to her and while that was found later in Miss O's junk mail, I can't say that was the fault of NatWest and Miss O was aware it needed completion – so if it didn't arrive it wouldn't be unreasonable to think Miss O should have made further contact to ensure it was received.

What is important here is even if Miss O had agreed a payment plan with NatWest which arguably may have proved difficult given her financial position, it would still need to record this arrangement on her credit file going forward under its regulatory requirements. The fact she was making modest payments to her account as a gesture of goodwill, isn't in itself a reason for NatWest not to accurately record the account activity with the credit reference agencies, as it is obliged to.

While I of course sympathise with Miss O's ongoing health issues, that wasn't made known to NatWest previously and in any event that wouldn't be a reason for it not to comply with its regulatory requirements regarding the reporting of customers account activity.

I can see the investigator has asked Miss O for a convenient time for NatWest to contact her to complete an I&E and discuss the way forward, and that seems a sensible solution here.

While Miss O will be disappointed with my decision, I can't say NatWest acted unfairly here for the reasons I have already explained.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 10 February 2026.

Barry White
Ombudsman