

The complaint

The Royal Bank of Scotland Plc provided Miss J with an overdraft in July 2019 with a limit of £300. Subsequently there were four applications from Miss J to increase the overdraft limit. The last of these was on 21 August 2019 when the limit was at £1,250. There was no increase to the overdraft limit after this date.

Miss J says Royal Bank of Scotland failed to lend reasonably or to monitor the overdraft for financial difficulty.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the reasons for my 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.

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website and I've taken this into account in deciding Miss J's case.

I've decided that Royal Bank of Scotland acted fairly because:

- I think the checks Royal Bank of Scotland used when agreeing the overdraft and the increases were reasonable and proportionate, given the overdraft limits being granted and what it knew about Miss J's financial situation. I say that because there appear to have been no signs of defaults or missed payments on Miss J's account or other accounts at the time of the lending decisions.
- I also think the checks Royal Bank of Scotland used were enough to monitor and review Miss J's overdraft usage. I also see that Royal Bank of Scotland contacted Miss J to make her aware of her regular overdraft use and also reached out to offer help with managing her overdraft. Royal Bank of Scotland and Miss J agree that this happened several times at the least. Royal Bank of Scotland told us that Miss J did not take up the offer of assistance contained in those missives. So, looking at all of the submissions made to me in this case, I don't think Royal Bank of Scotland acted unfairly in any other way.

I've also considered whether the relationship might have been unfair under s.140A of the Consumer Credit Act 1974. However, for the reasons I've already given, I don't think Royal Bank of Scotland lent irresponsibly to Miss J or otherwise treated her unfairly. I haven't seen anything to suggest that s.140A or anything else would, given the facts of this complaint, lead to a different outcome here.

I know this isn't the outcome Miss J hoped for. I've seen what she's said in response to our investigator's finding and I've taken that into consideration. But for the reasons above, I'm not asking Royal Bank of Scotland to do anything to put things right.

My final decision

My final decision is that I'm not upholding Miss J's complaint about Royal Bank of Scotland Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 25 February 2026.

Douglas Sayers
Ombudsman