

The complaint

Miss B complains that National Westminster Bank Public Limited Company irresponsibly provided her with a credit card and credit limit increases.

What happened

This decision deals with NatWest's provision of a credit card which was originally arranged in 2012. Details of the credit card limits over the years are outlined in the table below:

Date	Event	Credit limit
May 2012	Original limit	£3,750
October 2014	1 st credit limit increase	£4,500
February 2016	2 nd credit limit increase	£5,850
June 2016	3 rd credit limit increase	£7,000
February 2017	4 th credit limit increase	£8,000

Miss B complained to NatWest in 2025 about a number of credit products, including this credit card. She complained about unaffordable lending, saying NatWest hadn't acted fairly when providing her with this credit card and credit limit increases, and by continuing to provide the facility. NatWest has confirmed that this account was passed to a third party debt collector to manage on its behalf in late 2023. Miss B appears to be making token payments to the account through a payment plan.

NatWest issued a final response in July 2025 in which it didn't uphold Miss B's complaint. In summary, it said its checks before each lending event were reasonable, and that it had fairly provided Miss B with each limit. Unhappy with NatWest's response Miss B referred her complaint to our service for review.

One of our investigators looked at the details of this complaint and considered it was reasonable to interpret it to be about the fairness of her relationship with NatWest. As such she went on to review the details of the complaint on this basis. Having done so, she didn't consider NatWest had acted unfairly or unreasonably in its lending decisions, or management of Miss B's account. So, she didn't uphold the complaint.

NatWest didn't respond to our investigator's view; Miss B responded and disagreed. Miss B provided a detailed response which I've summarised as:

- She considers she made her complaint within the regulatory timescales for complaining.
- She maintains her arguments that NatWest didn't make fair lending decisions when providing the credit limits, nor did it act reasonably by continuing to provide the credit card on the same terms; and that this brought about an unfairness in the relationship.
- That she was, and remains, a vulnerable consumer and that NatWest failed to reasonably identify this, as well as failed to identify her financial difficulties, and didn't offer appropriate forbearance or support her when it ought reasonably to have.
- Our investigator's view doesn't reflect a number of Financial Conduct Authority (FCA) rules and regulations NatWest needed to adhere to, including about responsible

lending, vulnerable customers, treating customers fairly and the Consumer Duty.

Miss B asked for an ombudsman's review, so the complaint has been passed to me to decide.

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.

The information in this case is well known to Miss B and NatWest, so I don't intend to repeat it in detail here. I acknowledge the level of detail and submissions Miss B has provided in support of her arguments. I'd like to assure both parties I've carefully reviewed everything available to me even though I may not have commented on it, because I've focused my decision on what I consider to be the key points of this complaint. I don't mean to be discourteous to Miss B or NatWest by taking this approach, but this simply reflects the informal nature of our service.

I'd also set out at this point that I am sorry to hear of the personal and financial circumstances Miss B has made us aware of. I don't doubt that Miss B's circumstances across the years that the events she complains of here were, and continue to be, exceptional to her. In no way is my decision here intended to downplay these circumstances; but I would set out that while taking them into account, I've also taken into account what I consider NatWest knew, or ought reasonably to have known, at the time of the events Miss B complains of.

Initially I think it's helpful for me to set out that there are time limits for bringing a complaint to our service, and NatWest has said this complaint was referred to us late. Our investigator set out within their view why they didn't think we could look at a complaint about the lending events that NatWest made more than six years before the complaint was made.

But they also went on to explain why it was reasonable to interpret Miss B's complaint as being about an unfair relationship as described in section 140A (s.140) of the Consumer Credit Act 1974 (CCA); and why she therefore considered Miss B's complaint about an allegedly unfair lending relationship had been made to us in time.

I agree with our investigator that I have the power to look at Miss B's complaint on this basis.

I acknowledge the level of detail Miss B has provided to set out why she considers her complaint was made within the regulatory timescales. However, it's accepted that the lending decisions from 2012 to 2017 were all made more than six years before Miss B made this complaint. I also consider Miss B had reasonable awareness of her cause for complaint at the latest by 2017, when in December NatWest declined a further credit limit increase request. By 2017 Miss B has said she was struggling to maintain the contractual monthly repayments, and I consider this declined lending decision ought reasonably to have made Miss B aware that NatWest had conducted a creditworthiness check; and raised an awareness that it was possibly NatWest's lending decisions which caused the problems and loss she was incurring.

I can still look into complaints made outside the time limits if I'm satisfied the failure to comply with them was due to exceptional circumstances. Miss B has made us aware of a number of personal circumstances which she says meant she didn't raise her complaint sooner. As I've set out above, I am sorry to hear of the situation Miss B has made us aware of. I don't doubt these circumstances were, and continue to be, exceptional to Miss B. The *Dispute Resolution: Complaints* (DISP) rules I must follow don't define exceptional

circumstances, but under DISP 2.8.4G provide an example as '*...where the complainant has been or is incapacitated.*' So, for exceptional circumstances to apply I must be persuaded that Miss B was prevented from engaging with NatWest to raise her complaint within the regulatory timescales.

The contact notes I've seen show Miss B was engaging with NatWest across 2018, 2019 and 2020. So, as Miss B was in contact with NatWest from 2018 onwards, I'm not persuaded exceptional circumstances prevented her from making her complaint within the regulatory timescales.

However, I'm satisfied Miss B's complaint can reasonably be considered as being about an unfair relationship; as she says NatWest didn't follow the regulatory rules and obligations on it at the time of these lending events, and that had it done so it shouldn't have provided her with the credit.

The provision of this credit card and credit limit increases may have made the relationship unfair, as Miss B may have paid more in interest and charges than she could afford. I acknowledge NatWest doesn't agree we can look at any events more than six years before Miss B's complaint was made, but as I don't intend to uphold this complaint, I won't be commenting on this further.

In deciding what's fair and reasonable I'm required to take into account, amongst other matters, relevant law. As I consider Miss B's complaint is about the fairness of her relationship with NatWest, relevant law in this case includes s.140A-C of the CCA.

S.140A says a court may make an order under s.140B if it determines that the relationship between the creditor (in this case NatWest) and the debtor (Miss B), arising out of a credit agreement is unfair to the debtor because of one or more of the following, having regard to all matters it thinks relevant:

- any of the terms of the agreement.
- the way in which the creditor has exercised or enforced any of his rights under the agreement.
- any other thing done or not done by or on behalf of the creditor.

Case law shows that a court assesses whether a relationship is unfair at the date of the hearing, or if the credit relationship ended before then, at the date it ended. That assessment has to be performed having regard to the whole history of the relationship. NatWest has confirmed the relationship is ongoing as it is still collecting the debt.

S.140B sets out the types of orders a court can make where a credit relationship is found to be unfair – these are wide powers, including reducing the amount owed or requiring a refund, or to do or not do any particular thing.

Given the details of Miss B's complaint, I need to consider whether NatWest's decision to lend to her, or other actions it may have taken, created an unfairness in the relationship between her and NatWest; and if it did, whether NatWest took reasonable steps to remove that unfairness.

We've set out our approach to complaints about irresponsible and unaffordable lending as well as the key rules, regulations and what we consider to be good industry practice on our website. I've followed this approach when considering Miss B's complaint.

NatWest has told us that the information it holds about the lending decisions is limited due to the time that's passed. I don't consider this unreasonable given the data retention obligations

on NatWest. However, this does mean I can't be satisfied that it completed reasonable checks in each instance before providing these credit limits.

As such, I've reviewed Miss B's management of her credit card and bank statements in the months leading up to each lending decision; as in the absence of any other contradictory information, I consider these allow me to reasonably understand what reasonable checks at the time would more likely than not have shown NatWest.

Like our investigator, I consider the credit card and bank statements appear to show Miss B could sustainably afford to repay the credit limits NatWest provided. I say this because Miss B was largely maintaining her credit card well, making monthly payments in excess of the contractual minimum, and up until early 2018 largely clearing the statement balance in full each month.

Miss B's bank statements in the months leading up to each lending event also show a reasonable level of disposable income. Miss B's monthly income is evident, as well as some non-discretionary expenditure and payments to existing credit commitments. Miss B's balance largely remains in a positive position in the lead up to each of these lending events, sitting in the high hundreds, and at times, above a thousand pounds. NatWest has also provided our service with other statements for accounts in Miss B's name, which largely show healthy credit balances throughout the period of lending events. So, taking this all into account I've not seen anything to suggest reasonable checks would have led to NatWest concluding Miss B wouldn't be able to repay the credit limits being provided; and it therefore follows I don't consider it made unfair lending decisions.

Miss B has complained about the ongoing provision of the credit, and that NatWest should have identified she was experiencing financial difficulties and acted to mitigate her incurring further financial loss. I've carefully considered Miss B's comments, as well as taking into account the various provisions she's referenced which I've set out above, as I must do in each case I decide. This includes considering relevant law, rules and regulations, and good industry practice.

From 2018 onwards the level of Miss B's monthly payments decreased, but they remained in excess of the contractual monthly minimum, albeit modestly. This combined with Miss B largely not using the card for purchases across most of 2019, 2020 and 2021 meant the balance reduced at times; although, there were some larger transactions on occasion which increased the balance close to the agreed limit. However, Miss B maintained at least her minimum monthly repayments up until 2022, and the credit card was maintained well.

Miss B has made reference to making gambling transactions through her NatWest accounts, and that it should have identified this and taken steps to mitigate Miss B's further use of her accounts. I've carefully thought about Miss B's comments here. However, I don't consider it would have been proportionate for NatWest to have reviewed individual transactions through the credit card, or her bank statements for that instance. While I acknowledge through my review I've seen some evidence of gambling through the bank account statements, Miss B's balance on the account largely remains in a credit position. I've also seen evidence of large transactions to what appears to be digital wallet providers and trading platforms. However, Miss B's bank account balance largely remains in a credit position, and I don't consider NatWest ought reasonably to have considered payments through the credit card and bank account to digital wallet providers or trading platforms in the same way as transactions to gambling companies.

By mid 2022 Miss B had made a number of late payments to her credit card, and interest and fees had the effective of taking her balance above the agreed limit. I've seen that NatWest communicated with Miss B about the late payments and over limits. The contact

notes NatWest has provided show Miss B made contact in June 2022 and made it aware that she'd had more expenditure than income in the recent months; Miss B's testimony to this service adds that she'd been financially supporting family members during this period.

The notes indicate the NatWest representative discussed going through an income and expenditure review with Miss B if she was experiencing financial difficulty, and that she could be referred to its financial support team. However, Miss B declined NatWest's offers and repaid the outstanding balance in full, doing so with funds provided by a family member.

Given Miss B's explanation for the recent management of the account, the fact that she repaid the balance in full, and her dismissal of NatWest's offer to discuss her financial situation; I don't consider it unreasonable that it didn't vary the terms of the credit already in place.

I acknowledge the account management changed in 2022, and by mid to late 2022 Miss B's balance was largely over its agreed limit. However, by this point the lending was already in place, which I've found above to have been fairly provided; and NatWest continued communicating with Miss B largely on a monthly basis about the status of the account before it was ultimately defaulted in 2023.

Having carefully considered NatWest's actions against the obligations on it under various instruments including, but not limited to, those I've listed above which Miss B referenced in response to our investigator's view, I'm not persuaded it acted unfairly in the management of Miss B's account. I say this given Miss B's management of the account across the years leading up to 2022 hadn't largely shown any cause for concern that I consider NatWest ought to have been overly concerned by; and the contact notes don't support that Miss B made NatWest aware of any vulnerabilities or reasonable adjustments until after it had defaulted her accounts.

I acknowledge that Miss B has in part made specific reference to NatWest's obligations under the Consumer Duty. This duty came into effect on 31 July 2023 and isn't retrospective. I note that from July 2023 Miss B had stopped making her monthly contractual payments and the credit card was in arrears. NatWest was communicating with Miss B about the status of the credit accounts she had with it at this time, and it defaulted these accounts a few months later, in line with industry recognised practices given the status of the accounts. By defaulting the accounts further interest and charges were suppressed, which was beneficial to Miss B. NatWest passed the debt to a third party to manage on its behalf, and I've seen that Miss B appears to be in a payment arrangement.

Taking all the above into account I haven't seen anything from the information I have by way of testimony and documentary evidence to persuade me that NatWest's actions were unreasonable in the individual circumstances at play here; including being in opposition to the various instruments I've considered, as set out above. It therefore follows I don't consider NatWest created an unfairness in its relationship with Miss B.

So, I'm therefore not directing NatWest to take any further action in resolution of this complaint. However, I would remind it and any third party it instructs to manage the outstanding debt on its behalf, to treat Miss B fairly and sympathetically in its dealings with her, especially given the information it is aware of about her personal and financial situation.

I acknowledge my decision will be disappointing to Miss B. It's clear how strongly she believes NatWest has acted unfairly in its actions relating to this credit card. As I've set out above, I am sorry to hear of the personal circumstances Miss B has made us aware of; my decision here is in no way intended to downplay these circumstances, or the financial position Miss B is in.

I also acknowledge Miss B has drawn parallels with this complaint and another she has referred to our service about another lender, which although currently awaiting an ombudsman's decision, has in part been upheld by one of our investigators. I would set out that each complaint is considered on its individual details. So, while I understand why Miss B will have drawn parallels between the complaints, given her overarching circumstances, my decision here is reached taking into account the specific details relevant to this complaint.

My final decision

My final decision is that I don't uphold Miss B's complaint about National Westminster Bank Public Limited Company.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 6 February 2026.

Richard Turner
Ombudsman