

## **The complaint**

Mr N complains about the way National Westminster Bank Public Limited Company ('NatWest') has handled his credit card accounts.

## **What happened**

The background to this complaint is well known by both parties so I'll focus my decision on the findings of this case.

## **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.

Whilst I may not comment on everything, I've fully considered all the evidence before reaching this outcome. This just reflects our informal remit.

Before I go on to explain my reasoning, I think it might be helpful to set out my remit here. The regulator (the Financial Conduct Authority (the 'FCA')) sets out the rules that I must abide by in the Dispute Resolution ('DISP') rules which are contained in the FCA handbook. Under DISP 3.6.1 it says that I (the ombudsman) must determine a complaint by reference to what is, in my opinion, fair and reasonable in all the circumstances of the case. DISP 3.6.4 says, amongst other things, that in considering what is fair and reasonable I must take into account relevant law and regulations.

Mr N had two credit cards with NatWest – each went to different debt collection agencies. I'll refer to these collectively as the 'debt collection agencies'. From what I can see, payment plans couldn't be agreed when Mr N's accounts fell into arrears. As there remained outstanding debts on both cards, I don't think NatWest passing the matter on to third party debt collection agencies to try to collect the debt, was unfair or unreasonable. A lender will often appoint a debt collector to try to collect the outstanding sums on its behalf. Here, NatWest hasn't sold the debts (at the time of Mr N's complaint) – rather it has taken an administrative decision to pass the work of collecting the money on to the relevant agencies.

I appreciate Mr N has concerns about his data being passed on to third parties. But this appears to have been done by NatWest in line with the guidance issued by the Information Commissioner's Office ('ICO'). Amongst other things, the ICO states a business can legally transfer data to a third party if, for example, it has a 'legitimate interest' in doing so. Further, I can see, NatWest's general terms and conditions make it clear that whilst it won't generally share a customer's personal data with anyone, it will do so under limited circumstances including to debt collection agencies. I think NatWest has acted fairly and reasonably here.

I should note that prior to passing Mr N's details on to third party agencies, NatWest took reasonable steps to let Mr N know about the respective debts. This included the notice of defaults and termination notices. I know Mr N says certain documents are missing but NatWest has been able to provide us with its contact notes for both credit cards and these show letters being sent to Mr N such as the default and termination letters. NatWest has also

been able to provide us with the default/termination templates it would've sent to Mr N. Further, Mr N refers to there being no deed of assignments, but NatWest has explained to him that the debts hadn't been sold, so this type of document won't exist. I'm satisfied, on balance, NatWest has acted correctly here.

From what I understand NatWest has recorded defaults on Mr N's credit file related to the credit card debts. NatWest has a duty to report accurate information to the relevant credit reference agencies. And given NatWest has been able to show that Mr N's accounts in relation to both credit cards have defaulted, I don't think recording this fact is unfair or unreasonable. From what I can see, NatWest has recorded defaults in line with the ICO guidelines.

I've reviewed all the further submissions Mr N made in response to our investigator's view and my initial findings on this matter. But I've not seen any persuasive evidence of NatWest not sending Mr N the correct documentation about his debts or acting incorrectly in the way it sent his data to third party debt collection agencies. I appreciate this has come at a vulnerable time in Mr N's life and I'm sorry to hear this is the case. But passing a debt to a third party doesn't mean that NatWest isn't acting responsibly and/or not acting with sympathy to his situation. It is still under a regulatory duty to ensure any repayment plan is affordable to Mr N. And also take appropriate steps to support him whilst he is experiencing financial difficulties. From everything I've seen, NatWest has acted positively and sympathetically to Mr N's situation.

For all these reasons, I'm satisfied NatWest has acted fairly and reasonably in all the circumstances of this case. So, whilst I know this will be a disappointing outcome for Mr N, I'm not upholding his complaint.

### **My final decision**

My final decision is that I'm not upholding this complaint.

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

Yolande Mcleod  
**Ombudsman**