

## **The complaint**

Mr D complains about the interest rate on three credit card accounts he has with NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (“NatWest”).

## **What happened**

Mr D took out three separate credit cards with NatWest – all of which had promotional offers for balance transfers. For two of the accounts, the promotional rate has come to an end, and Mr D is now being charged his standard variable rate (SVR), which is much more than the promotional rate he was on of 0%.

Mr D says that he can’t afford the repayments to the credit cards at the SVR. And so he has asked NatWest to consolidate the accounts and allow him to repay the balances at a reduced interest rate, or at 0%. He’s also asked that such arrangement doesn’t impact his credit file.

NatWest didn’t uphold Mr D’s complaint. It said that it had charged interest to his account correctly. However, if he is experiencing financial difficulties then he should contact its financial support team – and provided the contact details. As a gesture of goodwill, it offered to refund two months’ worth of interest for one of his credit cards.

An Investigator considered the information provided by both parties, but they didn’t uphold Mr D’s complaint. They explained that it wasn’t wrong of NatWest to charge interest at the SVR once the promotional rate had ended, as this formed part of the terms and conditions of the agreement Mr D had with it. The Investigator also felt that NatWest had provided Mr D with some reasonable options on how it could help him going forward.

Mr D didn’t agree with the Investigator’s view. He said that NatWest had agreed to waive some interest on one of his accounts as a goodwill gesture, but hadn’t done the same for the other, even though the circumstances are the same. This, he says, caused him avoidable financial strain. He said he proactively approached NatWest to let it know of the genuine hardship he faced due to unaffordable interest. However, NatWest only offered him options that would impact his credit file. And didn’t provide him with tailored support.

Because an agreement couldn’t be reached, the complaint has been passed to me to decide on the matter.

## **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 considered all of the information available, I don’t uphold Mr D’s complaint. And I’ll explain why below.

I’ve looked at the agreements Mr D entered into when he took out the accounts. These stated that when promotional rates come to an end, the balance will be charged at the SVR.

So I can't fairly find that NatWest has done anything wrong in charging interest to Mr D's account on the balances where the promotional rate has ended. Based on what I've seen, it appears Mr D accepts this, but the crux of his complaint is around the support NatWest has offered him when he told it he was in financial difficulties.

I've looked at how NatWest handled things when Mr D told it he was going to struggle to repay the balances at the SVR. It's probably worth noting here that there isn't any set action that NatWest is required to take when it is notified of financial difficulty – this would depend on the circumstances of the individual.

In Mr D's case then, I can see that NatWest has offered a 30-day breathing space on the account. This is to allow Mr D the time to get some independent advice. It said that interest, fees and charges would be waived during this time, and it wouldn't expect a repayment from him during two statement cycles.

It also said it could look at a forbearance arrangement – which would essentially be a repayment plan lasting for up to three months at a time. It explained that repayments would start from £0.00, depending on Mr D's affordability. And during the plan, it wouldn't contact Mr D, and it would stop the use of his card. It also explained that interest and charges would be stopped while Mr D was in the plan – and it let him know that the plan would impact his credit file.

The third option it provided was a financial hardship arrangement – this would last for the lifetime of the balance, meaning the plan would end once the balance had been repaid. If Mr D took this option, the credit facility would be revoked; and interest and charges stopped for the lifetime of the balance. This option would result in the account defaulting and reporting to the Credit Reference Agencies ("CRAs").

Mr D wasn't happy with any of the options presented to him by NatWest. He said he didn't want negative information reporting to the CRAs, and he didn't want use of the cards restricted. Instead, he wanted to repay the balances at 0% or at a reduced interest rate, by way of offering him a consolidation loan.

Having considered the options presented to Mr D by NatWest, I'm satisfied it has treated him fairly. It has provided him with three separate options that would help Mr D with repayments if he was unable to afford repayments at the current rate. There is no requirement for NatWest to continue the promotional rates as they are. And it is fair and reasonable that any plan that is put in place whereby Mr D's repayments aren't in line with the terms of the agreement he has with NatWest, is reflected on his credit file – as this is an accurate reflection of how the account has been managed, which NatWest has an obligation to report.

It also wouldn't be reasonable for NatWest to keep the account open for purchases and other transactions where Mr D is on a repayment plan. Letting Mr D increase the level of debt he has, when he has already explained it is unaffordable, would in my view, be irresponsible. So, if Mr D does go on a plan, I would expect that NatWest would restrict the use of the account; and this isn't unfair.

I note that Mr D feels that NatWest aren't 'tailoring' a plan for him because it doesn't meet the requirements of what he wants it to – for example, repaying the balance at 0% with no credit file impact and the accounts to remain open for further spending. NatWest not providing Mr D with exactly what he wants doesn't mean it hasn't offered him tailored support. And I'm satisfied that the options it provided Mr D are reasonable and supportive of reduced monthly repayments, which is what Mr D said he wanted.

I note that Mr D also feels that NatWest should provide him with a refund of interest and charges that have been applied to his other credit card; however, I don't agree. NatWest agreed to waive two months' worth of interest on one of his accounts as a gesture of goodwill – not because it thought it had done something wrong. There is no requirement for it to take this same action on his other accounts. And I can only ask NatWest to put something right where it has done something wrong. For all of the reasons I've explained above, I'm not persuaded NatWest has done anything wrong, and therefore I can't reasonably ask it to take action to put things right by way of a refund of interest.

Finally, I note Mr D has provided this service with copies of past decisions that he thinks supports his view that NatWest has treated him unfairly. I haven't taken these into consideration when coming to this decision. That's because I'm required to decide a case on its individual merits and am not bound by any decision another Ombudsman has made; and having considered the individual circumstances of this case, I don't uphold the complaint.

NatWest has explained to Mr D that he will need to contact its financial support team if he wants to discuss going ahead with one of the options presented to him to help him repay the debt, he says is now unaffordable. This seems fair in the circumstances.

### **My final decision**

For the reasons set out above, I don't uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 17 March 2026.

Sophie Wilkinson  
**Ombudsman**