

The complaint

National Westminster Bank PLC ('NatWest') provided Mr M with two loans in 2024 for the purpose of refinancing. He says both loans were provided irresponsibly.

What happened

NatWest provided Mr M with a personal loan in June 2024. The loan was for £24,500 and was to be repaid by way of 36 monthly repayments of £906.14.

NatWest provided Mr M with a second personal loan in December 2024. The loan was for £19,000 and was to be repaid by way of 36 monthly repayments of £676.87

Mr M says both loans were provided irresponsibly.

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 everything, I'm not upholding Mr M's complaint about either loan. I'll explain my reasoning below:

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 Mr M's case.

I've decided the credit was provided fairly because:

- I don't think the checks NatWest did before providing each loan were reasonable and proportionate, given the amount being lent and the limited details on what it knew about Mr M's financial situation. In particular, I don't think the checks were sufficiently borrower-focused to properly show his recent credit history and how he was able to meet his existing level of credit commitments.
- If NatWest had done proportionate checks for the first loan, I don't think it's likely these would have shown it was unfair to provide the credit to Mr M. He had sufficient income to meet his existing credit commitments and household costs and still be left with enough disposable income to meet the cost of the loan repayment. I've seen he was transferring funds to a separate account for day-to-day spending.
- If NatWest had done proportionate checks for the second loan, I again don't think it's likely these would have shown it was unfair to provide the credit to Mr M. His monthly income had increased and he was able to meet his credit and household commitment and still be left with sufficient disposable income after meeting the monthly cost of the second loan. He continued to transfer funds to a separate account.

- Based on the information Mr M has provided about his circumstances at the time of each loan, I don't think there's enough to show or suggest it was likely he'd be unable to sustainably make the repayments required under each loan.
- Mr M has told us about having serious gambling issues and I was sorry to learn of this. Banks have tools available to help prevent or reduce gambling if a customer needs support. In Mr M's case, I don't think it would be reasonable to expect NatWest to do anything more, based on what it could see about his account usage. Also, whilst he had taken on a lot of credit, I don't think providing each loan to help consolidate his finances was unreasonable. And I can't see that his financial position changed between each loan to the extent that the additional borrowing looked to be something he wouldn't be able to repay sustainably.
- I therefore don't think NatWest acted unfairly in any other way.

This all means I don't think NatWest acted wrongly or irresponsibly when it provided these two loans to Mr M.

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 NatWest lent irresponsibly to Mr M or otherwise treated him 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 that Mr M has been waiting for some time for an ombudsman's decision and I realise this won't be the outcome he was hoping for. But for the reasons I've given, I'm not asking NatWest to do anything more to put things right.

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 M to accept or reject my decision before 20 February 2026.

Michael Goldberg
Ombudsman