

The complaint

NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY trading as NatWest Boxed provided Mr O with a £5,000 loan in November 2025. Mr O says the credit was provided irresponsibly.

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.

Having considered everything, I'm not upholding Mr O's complaint. 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 O's case.

I've decided the credit was provided fairly because:

- I don't think the checks NatWest Boxed did before providing the credit were reasonable and proportionate given the credit it offered and what it knew about Mr O's financial situation. While I think it reasonable that NatWest Boxed relied on the information Mr O provided about his expenses alongside his credit report and third-party data, I think gaining further confirmation of his declared income would have been proportionate.
- If NatWest Boxed had done proportionate checks, I don't think it's likely these would have shown it was unfair to provide the credit to Mr O. Mr O declared an annual income of £45,000 which NatWest Boxed found equated to around £2,957 net monthly income. Mr O banked with NatWest and so it had access to his account statements into which his salary was paid. In the two months prior to the loan application Mr O's average monthly income was around £2,670 (excluding payments for expenses). If the payments labelled expenses were included his income was in line with the figure used by NatWest Boxed. Deducting Mr O's housing costs (he declared £900 but £935 was included), estimated living costs (£772) and his credit costs (including the repayments on this loan) from the £2,670 income figure would leave around £694 for any unforeseen expenses.
- Mr O's credit check didn't raise any serious concerns about Mr O's amount of debt or how he was managing this. Mr O has explained he took out several credit agreements shortly before this loan application but given the timing of these they weren't yet seen in the credit checks and so I can't say that NatWest Boxed should have been reasonably aware of these.

- Mr O said his financial position, which included significant discretionary spending and gambling, meant further checks, beyond an income verification should have happened. Given the size of the loan and the repayments compared to Mr O's income, and noting the calculated disposable income, I do not think verification of his expenses was needed. I further note that had Mr O's NatWest account statements been considered further, they would have supported his housing costs (payments of £991 are shown but there are also regular payments into the account which appear to be contributions to costs), and they don't show his gambling or any signs of significant financial distress in the months leading up to the loan application.
- Based on the information Mr O has provided about his circumstances at the time, there was nothing to suggest Mr O was likely to be unable to sustainably repay what he was being lent.
- I don't think NatWest Boxed acted unfairly in any other way.

This means I don't think NatWest Boxed did anything wrong when it provided the loan to Mr O.

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 Boxed lent irresponsibly to Mr O 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 this isn't the outcome Mr O hoped for. But for the reasons above, I'm not asking NatWest Boxed to do anything to put things right.

My final decision

My final decision is that I'm not upholding this complaint about NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY trading as NatWest Boxed.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 22 May 2026.

Jane Archer
Ombudsman