

## **The complaint**

Mrs L complains that National Westminster Bank Plc (NatWest) refused to allow her to make her loan repayments.

## **What happened**

Mrs L in summary was in financial difficulties in 2022 and wanted to restart her loan repayments from September 2022. She says NatWest refused to allow her to restart the loan repayments on her two loan accounts. Mrs L makes other complaints, but this is the main complaint which has led to adverse information on her credit file which she would like removed. She says NatWest's actions have led to arrears which she says are unaffordable.

NatWest has accepted making mistakes in respect of some of Mrs L's complaints and has paid compensation. It says it didn't stop Mrs L making the payments but had to stop the direct debits when it was told of her financial difficulties. NatWest says it required income and expenditure forms to assess Mrs L's position before it could agree to any repayment plan. It says it sent a number of letters to Mrs L about the arrears and told her she could make manual payments in any event.

Mrs L brought her complaint to us and says she tried to speak to NatWest about the position on hundreds of occasions. Our investigator explained which parts of the complaints we could look at and thought overall the compensation appropriate. The investigator thought Mrs L could have made manual payments and so didn't think NatWest was responsible for Mrs L not making the required loan payments at the end of 2022.

Mrs L doesn't accept that view.

I asked both sides for further information.

NatWest says Mrs L's income and expenditure forms showed she was unable to afford a repayment plan.

Mrs L says she didn't receive any of NatWest's letters telling her she could make manual payments. She hasn't provided her full credit file as requested by me

## **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 done so I have come to the overall view that NatWest has dealt fairly with this complaint, and I don't require it to do anything further in the circumstances of it. I appreciate Mrs L makes a number of complaints, but I have focused on what I think is the main complaint here which is her complaint about NatWest refusing to accept loan repayments. I also make clear that I think NatWest has paid appropriate compensation for the other complaint points and can't see Mrs L suggests otherwise in respect of them.

Banks and building societies must treat customers in financial difficulties positively and

sympathetically. I can see that NatWest stopped Mrs L's direct debits when told of those difficulties which is what I would have expected to take place before considering Mrs L's financial position. I'm satisfied that at that stage NatWest acted positively and sympathetically.

The key issue is if NatWest stopped Mrs L re-starting her loan repayments. I have looked at the information Mrs L gave NatWest about her finances and accept that on the face of it Mrs L was still in some financial difficulties. And it seemed unlikely she could afford the full repayments based on that information. So, I understand why NatWest was reluctant to re-start the direct debit. But I also think that if Mrs L was adamant, she could afford the repayments, that NatWest could have considered re-starting the direct debits as I think it likely Mrs L was best placed to know if they were affordable. I accept that NatWest has to consider affordability and that there is a difficult balance to be achieved in these sorts of circumstances.

This complaint is about NatWest not allowing Mrs L to make the repayments and about the impact on her credit file. I would have liked to have seen that credit file to understand more about Mrs L's financial position and the affordability of the loan repayments. But I can see NatWest sent Mrs L a number of letters about her loan arrears which made clear that she could make what is called manual payments towards her loan. I am satisfied that NatWest sent a number of letters in October, November and December 2022 which explained how Mrs L could make a transfer to her loan accounts. So, I think regardless of the fact Mrs L and NatWest could not agree a repayment plan that Mrs L could have made those transfers.

I appreciate Mrs L says she didn't receive those letters, but I am satisfied they were correctly addressed and that there were at least six sent to her. In any event I think it ought to have been clear to Mrs L that she could have transferred money to the loan accounts even if she didn't receive those letters. I find it was her responsibility to make the loan repayments as agreed and that NatWest hasn't made a mistake by reporting any missed payments to the Credit Reference Agencies.

Overall, I can't fairly conclude NatWest refused to allow Mrs L to make her required loan repayments. I have made clear that NatWest is obliged to consider affordability but there was nothing preventing Mrs L making the payments herself in any event. I have not seen any evidence that NatWest stopped Mrs L making required payments such as in letters. I find this now brings an end to what we in trying to resolve this complaint informally can do. No doubt Mrs L will speak to NatWest about the outstanding arrears and discuss the possibility of a repayment plan.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 18 November 2023.

David Singh  
**Ombudsman**