

The complaint

Miss D complains that National Westminster Bank Plc didn't take her financial situation into account when imposing interest and charges onto her account and some incorrect charges.

What happened

Miss D said she made NatWest aware of the financial difficulties she was facing but the bank ignored this. She said much of the difficulty was due to NatWest's multiple charges, often per day. Miss D said she was working long hours for not much money at the time and her financial difficulties became too much for her to deal with. She said this had a big impact on her health, specifically her mental health and led to two mental breakdowns.

Miss D complained to NatWest in January 2023. In its response, NatWest said Miss D had brought her complaint outside of the time limit set for complaints by the Financial Conduct Authority (FCA) to be made as the events happened more than six years ago, and more than three years after she realised, (or should have realised); that there was a problem.

NatWest said the charges complained of were applied to the account and in the wording on the statement, in 2007. It said Miss D had received regular statements which allowed her to raise any concerns within a reasonable timescale. NatWest said Miss D might benefit from its 'Banking My Way' service which allows for reasonable adjustments to its service. Notwithstanding this, NatWest said monthly charges were applied to Miss D's account in line with the terms and conditions of the account. NatWest said it can only put a stop to charges if Miss D agreed a 'Breathing Space' or 'Self Help Hold' with it, but she hadn't requested this.

Miss D wasn't satisfied with this response and referred her complaint to our service. She said she wasn't just referring to transactions from 2007, but also charges applied by NatWest and its collection agency from 2019 and 2020.

Our investigator said that in part this is not a complaint we can consider. He said the terms, arrangements and charges on Miss D's account up to 2015, occurred more than three years before she brought her complaint and so are out of time as she ought to have known she had cause to complain. On some of these points he said Miss D had made a complaint in 2019, and so she was aware she could make a complaint within three years from that date.

Miss D said she didn't know she could make a complaint on some issues until recent media coverage. The investigator said that Miss D is unsure whether NatWest correctly reduced her debt after a previous complaint, and having reviewed its data, he confirmed this had taken place correctly. The investigator thought Miss D didn't know she could complain about this issue but said that NatWest had correctly reduced her indebtedness following compensation from a previous complaint.

Miss D was unhappy with this outcome and requested an ombudsman review her complaint.

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.

I was sorry to learn about Miss D's health and financial problems and the time it took for her to get to a stage where she's been able to think about this rationally. I am pleased to see that she has been able to manage her indebtedness following a period of financial difficulties. And I am pleased she has had extensive conversations about her problems with our investigator.

Miss D's difficulties led to NatWest putting charges on to her account and a debt management plan. She thinks the charges were unfair and led to charges on top of the original charges being imposed, which started a snowball effect.

Miss D's complaint to NatWest concerning the charges for her packaged bank account has been dealt with separately. Miss D brought her present complaint about other charges in December 2022. My understanding is the charges complained of were imposed on her account, including a 'card misuse fee'.

From NatWest's records the 'card misuse fee' was dealt with as part of a previous complaint. And this alongside the transactions Miss D referred to from around 2007 to 2009 mostly concerning late payment, arrears and returned cheque fees, are definitely out of time under the FCA's rules governing the time limit within which a complaint must be referred.

The events happened more than six years ago, and more than three years after Miss D realised, (or had cause to have realised) that there was a problem. Miss D received statements, which she has sent to us, detailing the charges contemporaneously, and so I agree with the investigator that she ought reasonably to have known she could make a complaint. This is supported by the fact of her complaint about her packaged bank account in 2019. I think Miss D ought reasonably to have known she could complain by March 2019, which was more than three years before Miss D brought her complaint in December 2022 and so she has brought her complaint out of time.

I've looked closely at Miss D's circumstances from the information she has provided, although I understand the impact this has had upon her, I don't think this amounts to 'exceptional circumstances' as would be required for our service not to apply the time limit for referring a complaint to our service.

The statements for Miss D's NatWest account show that no charges have been applied to her account since before 2017. NatWest said it couldn't see where she was charged additional fees on her account, and invited her to send it any evidence she had. I haven't seen anything from Miss D about this.

Although Miss D's complaint about account charges is out of time, the charges appear to be in line with the terms and conditions of her account and their application is part of the account agreement between Miss D and NatWest. And so I don't think NatWest has made an error or treated Miss D unfairly about these.

I was sorry to learn about the difficulties Miss D has faced over a prolonged period, but I hope she understands that we aren't able to consider matters complained of that occurred over six years before the complaint has been brought.

The investigator thought Miss D didn't know she could complain about the reduction or otherwise of her indebtedness following compensation from a previous complaint. I agree that we can consider this issue and having done so I agree with the investigator that NatWest had correctly reduced Miss D's indebtedness.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 20 December 2023.

Andrew Fraser
Ombudsman