

## **The complaint**

Mr W is unhappy with the service he's received from National Westminster Bank Plc ("NatWest") surrounding his Bounce Back Loan ("BBL").

## **What happened**

Mr W had a BBL with NatWest which was set up receive payments from Mr W's NatWest business current account. In March 2022, the NatWest business current account was closed at Mr W's request, with the money present in the account at the time of closure being moved to Mr W's personal savings account. This meant that no arrangement was in place to make the BBL payments, and the BBL subsequently fell into arrears.

NatWest wrote to Mr W in June 2022 and apologised for not informing him that standing orders can't be set up from a NatWest personal savings account. NatWest also confirmed that Mr W would need to set up a standing order to pay the BBL from a different account and explained that they had credited Mr W with the total of the missed BBL payments to enable him to clear the full arrears that had accrued.

But Mr W didn't clear the BBL arrears or make the monthly payments required on the loan following NatWest's complaint response in June 2022. So, the BBL arrears continued to grow. NatWest wrote to Mr W about this in August 2022. This prompted a further complaint from Mr W as he felt that NatWest should have set up a standing order for him themselves as a part of the resolution to his earlier complaint. NatWest didn't uphold Mr W's complaint and reiterated to him that he needed to act to clear the BBL arrears and set up a standing order to ensure that future BBL payments were made.

Again, Mr W didn't set up a standing order or clear the account arrears. So, in September 2022, with the BBL five months in arrears, NatWest issued a formal demand and defaulted the BBL for non-payment. Mr W wasn't happy with how NatWest had administered his BBL, and so raised another complaint.

NatWest responded to Mr W and said that they didn't feel that they'd done anything wrong by defaulting the BBL for non-payment. Mr W wasn't satisfied with NatWest's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that NatWest had acted unfairly towards Mr W and so didn't uphold the complaint. Mr W remained dissatisfied, so the matter was escalated to an ombudsman for a final 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.

I note that Mr W has provided several detailed submissions to this service regarding his complaint. I'd like to thank Mr W for these submissions, and I hope he doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead, I've focussed on what I

consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Mr W notes that I haven't addressed a specific point he's raised, it shouldn't be taken from this that I haven't considered that point – I can confirm that I've read and considered all the submissions provided by both Mr W and NatWest. Rather, it should be taken that I have considered that point but that I don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

Mr W feels that, when NatWest wrote to him in June 2022, in resolution of his earlier complaint, that NatWest should have set up standing order at that time to ensure that he didn't miss any further BBL payments. But a standing order is an instruction given to a bank by an account holder. And NatWest's complaint response makes it clear that Mr W would need to set up a standing order himself from an appropriate account of his choosing.

Additionally, at the time of Mr W's earlier complaint, his BBL was three months in arrears. NatWest credited Mr W's personal bank account with the cumulative total of these three months arrears to enable him to make the necessary payment to bring the BBL up to date. I think it was reasonable for NatWest to expect Mr W to set up the standing order himself and I think their explanation of what was needed was clear. But Mr W didn't do this.

Mr W was given another opportunity to put things right in August 2022, when NatWest wrote to him and explained that the previously existing account arrears hadn't been cleared and that a further BBL payment had now been missed. However, rather than clearing the cumulative arrears and setting up a standing order as was required of him, Mr W raised another complaint because he felt that NatWest should be doing these things for him. NatWest rejected this complaint, and I'm satisfied it was fair and reasonable for them to do so.

NatWest then defaulted Mr W's account for non-payment in September 2022. NatWest had informed Mr W on several occasions leading up to this point that he was required to clear the BBL arrears and set up a standing order for the future monthly loan payments. But W repeatedly failed to do this. And because of this, I don't feel that NatWest acted unfairly by defaulting the BBL as they did.

Ultimately, I consider it was Mr W's responsibility as the BBL account holder to ensure that the BBL payments were made and that any account arrears were cleared. And I don't feel that it's reasonable for Mr W to claim that NatWest are at fault here because NatWest themselves didn't take the action that they'd clearly explained to Mr W was required of him.

All of which means that I don't feel that NatWest have done anything wrong or acted unfairly here. And it follows from this that I won't be upholding this complaint. I realise this might not be the outcome Mr W was wanting. But I hope that he'll understand, given what I've explained above, why I've made the final decision that I have.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 31 October 2023.

Paul Cooper  
**Ombudsman**