

The complaint

Mr W complains that National Westminster Bank Plc (“NatWest”) has a payment limit when using a debit card to pay a credit card which it won’t disclose.

What happened

Mr W attempted to pay his credit card bill through its app using his NatWest debit card but this was declined due to NatWest’s daily limit on using debit cards and so the transfer had to be done over the phone.

Mr W complained to NatWest about this. NatWest explained that there is a limit on how much you can pay from a debit card to a credit card due to bank policy and that it wasn’t able to disclose this externally in order to protect its customers from foreseeable harm. This is outlined in its terms and conditions and isn’t an error and so NatWest didn’t uphold Mr W’s complaint.

Mr W was unhappy with this and so brought his complaint to this service. Mr W says it’s inconvenient having to use alternative ways of paying his credit card and wants NatWest to be transparent and change its policy and disclose what its daily limit is to its customers.

One of our investigators looked into all of Mr W’s concerns but didn’t think that NatWest had acted unreasonably or treated Mr W unfairly as the bank’s policy was in place to protect customers and it from harm and was in-line with regulatory requirements.

Mr W disagreed and has asked for an ombudsman’s 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.

It might be helpful for me to say here that, as we are not the regulator, I cannot make NatWest change its policies or processes – such as the use of a debit card to pay one’s credit card bill or whether this type of spending has a daily limit and if so whether a limit should be disclosed. Nor is it my role to say what measures a bank must have in place to protect its customers - that is the role of the regulator in this case the Financial Conduct Authority. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

Rather my role is to look at the problems Mr W has experienced and see if NatWest has done anything wrong or treated him unfairly. If it has, I would seek – if possible - to put Mr W back in the position he would’ve been in if the mistakes hadn’t happened. And I may award compensation that I think is fair and reasonable.

Mr W was unhappy due to the daily limit on his debit card he can’t always pay his credit card through its app with it and so wants NatWest to disclose what the daily limit is.

Although I wouldn't tell a bank how it should run its business or what protective measures it needs must have in place for itself and its customers, I don't think NatWest has treated Mr W unfairly or unreasonably by enforcing a daily limit and not disclosing what this is externally.

The daily limit is there to minimise the damage to its customers and limit its liability where a card is used fraudulently. This sort of measure is what I'd expect a bank to have in place and in-line with regulatory obligations. And I can understand why NatWest wouldn't want to disclose the limit externally as this would mean fraudsters would have some insight into the banks risk prevention measures.

I appreciate having a daily limit on spending or paying one's credit card with a debit card is an inconvenience and how frustrated Mr W is about this and that other banks or building societies might do things differently. I also accept that having different spending limits for purchases and paying a credit card doesn't make sense to Mr W and nor does it to I. But NatWest is entitled to set its own policies around this and Mr W had other reasonable ways such as over the phone that he could use to pay his credit card – albeit just not in the way he wants to. And as I haven't seen anything to suggest the same policy isn't applied to all its customers, I can't say that NatWest has done anything wrong or treated Mr W unfairly.

So it follows that I do not uphold Mr W's complaint.

My final decision

For the reasons I've explained, I've decided not to uphold Mr W's complaint against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 17 April 2025.

Caroline Davies
Ombudsman