

The complaint

Mr A complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ('NatWest'):

- failed to explain how it was possible for his account to go overdrawn when there is no overdraft facility on the account and he always paid money into the account to cover planned spending, and
- provided poor service during a phone call when the call handler treated him unprofessionally and terminated the call.

To put things right, Mr A wants NatWest to close his account and pay him compensation for the time he's spent on this matter.

What happened

Mr A had a basic bank account with NatWest that didn't offer any overdraft facility. Although he operated the account by paying in funds in advance to cover planned spending, the account went into overdraft on 25 October 2024, despite the fact he'd paid in enough money to cover his spending that day.

He phoned NatWest seeking an explanation. NatWest said that he hadn't paid in enough money to allow for previously unclaimed payments which had all left the account on 25 October. And whilst he'd paid more money into the account on 28 October, taking the account back into credit, it wasn't enough to cover that day's spending along with other transactions he'd previously authorised but which didn't leave the account until that day. This left the account overdrawn by £10.91 by the end of the day. Although Mr A didn't feel this addressed his concerns about what happened, NatWest felt further discussion was unproductive and the call handler terminated the call.

When he complained, NatWest didn't uphold his complaint, saying that the account had been operated in line with terms and conditions and it was Mr A's responsibility to ensure he had funds in place until all payments were claimed. Our investigator didn't feel that NatWest had done anything wrong or acted unfairly, so she didn't recommend any compensation payment.

Mr A disagreed, mainly saying that he was treated very disrespectfully by NatWest when he phoned about this. He also wanted further clarification so he could understand his spending limit.

The complaint has come to me 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.

This includes listening to the call recordings provided.

I've carried out an independent review and having done so, I've reached the same conclusion as our investigator.

I appreciate how strongly Mr A feels about this complaint. But I've checked the figures shown on the account statement and I haven't seen any banking error.

As NatWest has explained, the time lag between Mr A authorising transactions and retailers claiming those payments means that sometimes the account balance doesn't necessarily show what he has available to spend. That's what happened in October 2024, with the result that Mr A's total spending took the account into overdraft.

I appreciate that Mr A says there's no overdraft facility on his account, so this shouldn't have been able to happen and the payments that took him overdrawn on his account should have been declined. But that's not how the account works. The terms and conditions, which he would've had to sign up to in order to be able to use the account, explain that NatWest will always take payments charged to Mr A's debit card when the retailer requests payment. This can be up to 6 months after Mr A has authorised the transaction (although here, the time lag was just a few days).

The payments made into and out of Mr A's account show on his statement, so I am satisfied that NatWest made this information available for Mr A to view. I hope that setting things out this way helps explain why the figure Mr A sees when he checks his balance on his banking app isn't necessarily the amount he has available to spend – and he needs to take this into consideration when working out how much he needs to pay into the account to maintain a credit balance, especially if he has more spending planned.

I've carefully listened to the call recordings provided. I am satisfied that the NatWest agents I've heard speaking to Mr A dealt with him throughout in a professional manner. Thinking about the call that was terminated by NatWest, I find it was reasonable in the circumstances for the call handler to take the steps she did to end the call. The call handler had been on the phone with Mr A for more than half an hour and she'd explained how and why Mr A's account had gone into overdraft. By this stage, the call handler was essentially repeating information she'd already provided Mr A – which Mr A had made clear he considered unacceptable. She told Mr A that she would send written details setting everything out and confirming his rights to refer his complaint to us – which she did. And she advised Mr A that she would be terminating the call before she hung up. I make no comment on what I can hear Mr A saying. But I don't consider the call handler's actions were unreasonable in these particular circumstances.

In order to uphold Mr A's complaint, I would have to find that NatWest made an error or acted unfairly or unreasonably. After taking into account everything that Mr A and NatWest have told me, I haven't seen enough to show that NatWest did anything wrong or that it treated Mr A in a way that wasn't fair and reasonable. So I can't uphold this complaint.

If he hasn't already done so, Mr A will need to clear the negative balance on his account in order to be able to close the account. NatWest is entitled not to close the account whilst he still owes the bank money.

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 Mr A to accept or

reject my decision before 5 June 2025.

Susan Webb
Ombudsman