DRN-5595525

The complaint

Mr B complains that National Westminster Bank PLC ("NatWest") refused to refund money that he'd paid in error.

What happened

Mr B says that he made a payment of around £2,160 and then decided it was an error. He says he attempted to recall the money, but NatWest refused his request. Mr B adds that this caused him considerable stress and financial difficulties over the Christmas period.

NatWest says that, on 17 December 2024, Mr B asked it to refund money he'd paid to his credit card balance. It confirmed that there was no option for the funds to be returned as the payment was to clear an outstanding balance. NatWest confirmed that the account had been closed in April 2021.

Our investigator did not recommend the complaint should be upheld. He found that Mr B's payment cleared the balance he owed on his credit card and that NatWest had not made an error by retaining the money.

Mr B responded to say, in summary, that NatWest had not proven that it had told him his card was closed and the statements continued to show a credit limit. He says that it is his right to have the payment returned as he stated the payment was made in error and the refund was requested within days.

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.

Mr B had been making the minimum repayments on his credit card until 10 December 2024 when he paid £2,163.41. When combined with the monthly direct debit of £53.90, paid on 15 December 2024, the account balance was cleared. NatWest refunded the subsequent £19.55 interest charge.

On 13 December 2024, NatWest responded to Mr B's request for a new card for the account and explained that would not be possible as the account had been closed in April 2021.

Mr B then asked for his £2,163.41 payment to be returned as he said it had been made in error.

Much as I understand Mr B's frustration that NatWest won't return the money, I don't find that it has done anything wrong. I acknowledge that Mr B says he wasn't told the account was closed, but I've seen evidence of the various communications that NatWest sent him during 2020 and 2021. As such, his credit card account has been on a repayment only basis since April 2021. Even though it still shows a credit limit on Mr B's monthly statements, I'm satisfied that he would have been aware that he was unable to make new purchases.

In summary, I find that Mr B owed NatWest the money that he paid and that as the account was closed for new purchases it did nothing wrong by retaining the money and preventing the balance increasing again.

My final decision

My decision is that I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 August 2025.

Amanda Williams
Ombudsman