

## **The complaint**

Mr L complains National Westminster Bank Public Limited Company (NatWest) failed to pay his direct debit indemnity claim.

## **What happened**

Mr L complained to NatWest about a direct debit going to his local council which he said he'd paid from another account. NatWest looked into things and sent a final response saying it had refunded the payments it could see were duplicates.

But NatWest said it couldn't refund any of the others without statements from the other account the direct debits were paid from. Unhappy with this response, Mr L brought his complaint to this service, but an investigator didn't think Mr L's complaint should be upheld.

The investigator said it was fair for NatWest to ask for extra information before refunding any further payments. Mr L disagreed and sent in statements for the other account he paid from.

The investigator sent these to NatWest and asked it about other refunds. NatWest then said it had refunded a significant amount, over £11,000, as part of Mr L's claim, but this has happened after the final response it initially sent.

NatWest said the local council had disputed some of this refund, a little over £5,000, and NatWest had since taken this back out of Mr L's account, leaving it significantly overdrawn.

The investigator sent a second assessment, saying the local council was allowed to challenge the guarantee claim, and Mr L needed to speak to the council.

Mr L said these were duplicate payments, not ones Mr L hadn't consented to, and said he had further information to send this service. Mr L asked for an ombudsman to decide things, and has said some of the information sent to him was forged.

## **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.

There seems to have been some significant confusion around this complaint, NatWest didn't tell this service it had completed the guarantee claim for Mr L.

Mr L's sent in statements from a limited company, one he's a director of, and it certainly seems payments were going to the same council from this account and his NatWest account at the same time.

And there seems little dispute NatWest agreed with this too, it refunded over £11,000 to Mr L. But this refund doesn't necessarily mean Mr L doesn't then owe this money to the local council, and this is explained in the direct debit guarantee.

The direct debit guarantee says *'if you receive a refund you're not entitled to, you must pay it back when the organisation asks to do so'*.

I'm satisfied the local council has disputed the full refund NatWest gave Mr L. It seems the council has accepted a majority of the refund was valid and probably did relate to duplicated payments. But the council disputed just over £5,000 of the refund.

I think it's fair NatWest sends this money back to the local council, and it's done this by taking it back off Mr L. I realise this has put Mr L's account overdrawn, but I still think the fair thing for NatWest to do was send the money back.

And I think this means the underlying issue now lies between Mr L and the local council. Mr L says he made duplicate payments, but the local council seems not to agree, or at least it doesn't seem to agree in full.

I think it's now between Mr L and the local council to resolve things, if the local council can show Mr L it's right then it's fair the money was sent back. If the local council can't show this, then I think it would be for the council to refund Mr L, not NatWest.

This means any further evidence of duplicate payments Mr L might have, or further statements, are better sent to the council than NatWest.

And I think Mr L's concerns about forgery are also better directed at the council, I don't believe NatWest forged anything.

Mr L says he's going to get some documents from the council, to prove payments were duplicated and he's owed more money.

But the council now has Mr L's money, so if its own documents prove Mr L is owed money, then he should be able to get any refund owed paid direct to him by the council.

I don't think NatWest owes Mr L any money, or needs to do anything more around the direct debit claim Mr L made.

I think NatWest completed Mr L's direct debit guarantee claim correctly and refunded what it felt was duplicated.

Since then, some of this refund has been taken back by the local council, and I'd recommend Mr L take this up directly with the council.

But I don't think NatWest needs to do more to resolve things for Mr L, although I'd expect it to act positively and sympathetically towards Mr L when it looks to recover the overdrawn balance on Mr L's account.

## **My final decision**

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 28 October 2025.

Chris Russ  
**Ombudsman**