

The complaint

Mr T has complained that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY sent a payment out of working hours, putting him over his agreed overdraft limit.

What happened

Mr T had arranged for a £1,818.20 payment to be sent from his NatWest account on 30 July 2025. When he checked his account at 7.30 that morning, the payment had been made and the account had gone over his overdraft limit. He then paid £1,800 into the account, to bring it back within the limit. Mr T feels the payment should have been sent between 9am and 5pm.

One of our investigators looked into what had happened. She could see that NatWest had sent the payment in line with its standard practice for faster payments, so didn't think it had made a mistake about this.

However, when Mr T spoke to NatWest using the 'chat' facility, he was told the payment would be reversed. This was upsetting, as it was not something he'd requested, and it was needed to pay his tax bill. Accordingly, Mr T arranged for another payment to be sent the following day, on the understanding the first would be reversed. This did not happen, meaning the payment went twice, and the account again went over the overdraft limit. Mr T then had to contact the payee for a refund.

Our investigator agreed that NatWest had given Mr T incorrect information on the chat, but could see it had paid him £200 compensation. She thought this was fair to put things right.

Mr T disagreed. He's explained his banking app showed his account as being overdrawn on both 30 and 31 July 2025, so he acted on this information and not on NatWest's expectation that he should know when deposits and withdrawals are processed. He was also misinformed in the chat. He wants NatWest to take the £200 compensation back.

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.

Having done so, I agree that the £200 paid by NatWest is fair. I'll explain why.

It is standard that scheduled payments for a specific date may leave an account at any time on that date, not necessarily between 9 to 5. This represents typical modern banking practice, and I don't think there's anything untoward or unfair about it. It's down to the consumer to ensure there are sufficient funds on that date – which is what Mr T then did when he saw the account was overdrawn.

I do agree, though, that he was misadvised about the payment being reversed. This must have been very stressful, particularly as it was for a large and important payment. Mr T must have felt confused and frustrated when he saw the account was overdrawn again, and he

then had to arrange for a refund from the payee.

NatWest has acknowledged this, and I think the £200 offered is fair. Although levels of compensation aren't an exact science, this is in line with our service's awards in similar situations, and is what I'd have awarded had it not already been paid.

I'm mindful that Mr T does not want the payment. On reflection, he may wish to keep it, and I'll leave that to him to decide. If he wants it taking back, NatWest should arrange this.

My final decision

It's my final decision that the £200 already paid by NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY is fair. I leave it to Mr T to decide whether, on reflection, he'd like to keep it. If not, NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY must arrange to take it back.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 18 May 2026.

Elsbeth Wood
Ombudsman