

The complaint

Mr F is unhappy about the way in which the online payment system of National Westminster Bank PLC (NW) operates.

What happened

Mr F is unhappy about the way in which the online payment system at NW operates. He says that when using the system to pay off his outstanding balance on his credit card, if his payment due date falls on a weekend or bank holiday then the scheduled payment isn't taken until the next business day. Mr F says that this has led to his credit card payment being received late, leading to interest and charges.

Mr F complained to NW. He feels that the current system forces customers to make late payments and wants the system changed.

NW issued an initial final response letter in which it failed to address all the issues raised by Mr F. Mr F was unhappy about the language in the initial response and made a further complaint. NW subsequently issued a second response in which said it had raised the issue with the technical team. It paid total compensation of £330 to Mr F for the distress and inconvenience caused.

Mr F remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. The investigator agreed that it would be unfair if the system chose a payment date following the payment due date without warning the customer that it would take the payment late, but said that having reviewed the screenshots they could see that when a customer opted to choose a payment date that is a weekend or bank holiday the system generates a pop up to explain that the payment date isn't a valid date and that the date has been set to the next valid date. The investigator said this was fair and reasonable because the system allowed the customer the opportunity to review the payment instruction to ensure the payment is made on time.

Mr F didn't agree. So I've been asked to review the complaint.

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.

I know it will disappoint Mr F but I agree with the investigator's opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision. If I don't comment on a specific point, it isn't because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

I've reviewed all the evidence provided by both parties. I can see from the screenshots that when a customer chooses a payment date that falls on a weekend or a bank holiday, the

system generates a pop up to explain that the date selected isn't a business day and that the system has set the payment date to the next business day.

NW has said that it shows the customer the amended date that the system has changed the payment to four times during the process. NW has also said that the system allows customers to change the payment date. So Mr F could change the payment date to a date prior to the payment due date where the payment due date falls on a non-business day.

Based on what I've seen, I'm satisfied that the system alerts customers if they give instructions to make a payment on a date which isn't a business day. I'm also satisfied that customers can amend the payment date if they wish, to make sure that the payment is received in time.

Mr F has said that NW should give customers a warning that they may incur interest and charges where the payment is going to be made after the payment due date. NW has explained that the system doesn't link into the scheduled payment calendar, so it doesn't issue a warning but says that the credit card payment system is aware if a payment hasn't hit the system by the due date and sends out a text or letter to tell the customer that a payment has been missed. The customer then has a 24-hour grace period to make the payment.

Mr F has also said that NW should change the system so that it changes the payment date to the day before rather than after the payment due date. He feels that it's wrong for NW to add interest where the late payment isn't the customer's fault. Mr F says he raised this with NW in March 2024 and was told that they would raise the issue with its technical team, but he hasn't heard anything back.

This service asked NW why a payment date is set to the next business day rather than the day before where the date selected by the customer is a weekend or bank holiday. NW explained that the system's functionality doesn't have the ability to take into consideration each individual customer's specific payment due date, so it cannot calculate when a payment will go through or be alerted to the fact that the payment due date might be missed, but the system does show the customer the amended date it's been changed to and gives the customer the option to choose a different date.

Based on what I've seen, I'm satisfied that NW's system shows the customer the date that payment will be made and gives the customer the opportunity to alter the date to ensure that payment is made in time. I'm satisfied that the system provides clear information to customers regarding when the payment will be taken.

I appreciate that Mr F isn't happy with the way in which the system operates. This service isn't able to ask a business to change its systems or processes. Only the Financial Conduct Authority can do that.

I also appreciate that Mr F isn't happy about the way in which NW handled his complaint. In particular, he's unhappy that NW hasn't got back to him after they told him that the technical team would be looking into the issue he's raised. This service isn't able to consider complaints about complaint handling as this is outside of our remit. I can see that the investigator asked NW to comment on this and it explained that although the issues raised by Mr F have been fed back to the appropriate teams, there was no promise to call him back.

Taking all the available information into account, and for the reasons I've explained above, I'm unable to uphold the complaint. I haven't found any evidence that NW has made an error or treated Mr F unfairly.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 20 January 2026.

Emma Davy
Ombudsman