

The complaint

Mr E has complained that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (“NatWest”) incorrectly charged him £2, after he’d downgraded his fee-paying account.

Mr E says that, when he went to raise this matter with NatWest, he was incorrectly told that he could not complain about this matter, as he already had a complaint in progress.

Mr E also says that he has been unfairly denied access to £5 that he’d earned in rewards cash back, since downgrading his account.

What happened

On 1 October 2025, Mr E was charged the monthly £2 Rewards account fee. This was despite him having downgraded his Rewards account in September 2025.

Unhappy with this, Mr E went to raise a complaint with NatWest, but NatWest initially said that Mr E can’t raise a complaint about this issue, as it said he’d already got a complaint running.

Eventually, NatWest did look into Mr E’s concerns and paid him £100 compensation to apologise for its handling of matters.

After Mr E referred his complaint to this service, one of our investigators assessed the complaint. They didn’t think that NatWest had made an error regarding the £2 account fee that was debited from Mr E’s account. But they did acknowledge that NatWest didn’t handle things as well as it should’ve and they concluded that the £100 compensation that NatWest had already paid Mr E was a fair way to put things right for Mr E.

As Mr E didn’t accept the investigator’s assessment, the matter was referred for an ombudsman’s 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.

Having reviewed everything, I don’t uphold this complaint for broadly the same reasons that the investigator gave. I will explain why.

Mr E has complained that he was charged £2 on 1 October 2025, even though he’d downgraded his Rewards account in September 2025.

I can see why Mr E questioned this charge, given that he’d downgraded his Rewards account a fair amount of time prior to 1 October 2025. But NatWest explained that it charges the monthly account fees in arrears. In other words, the monthly account fee is charged *after* the relevant period of having the Rewards account has passed. In this case, NatWest charged Mr E £2 on 1 October 2025, which relates to Mr E having a Rewards account between 9 August 2025 and 10 September 2025.

As Mr E still held the Rewards account in this period of time (or at least for part of that period of time), I can’t see that NatWest made an error here. I’m satisfied that the account fee was correctly applied to Mr E’s account.

When Mr E raised his query with NatWest, NatWest said that Mr E couldn't complain about this issue, as he already had a complaint in progress.

NatWest has since acknowledged that this was wrong and apologised for giving Mr E the incorrect information, and did subsequently look into Mr E's complaint.

Mr E also says that he was unfairly deprived access of £5 in Rewards cashback, that he'd earned whilst he still had the Rewards account.

To put matters right, NatWest paid Mr E £100 and apologised for its handling of this matter. Mr E would like NatWest to pay him £350 in compensation. But I think that is excessive, for what is a very minor issue. Having considered the inconvenience that was caused to Mr E, and taking into account that Mr E says that he was unfairly denied £5 of Rewards cashback, I think the compensation that NatWest has already paid Mr E is reasonable and a fair way to put things right for Mr E.

So overall, although things didn't go quite as they should've, I think that NatWest has already taken reasonable steps to put things right for Mr E. Because of this I don't think that NatWest needs to do anything further in relation to this complaint.

My final decision

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 13 February 2026.

Thomas White
Ombudsman