

The complaint

Mrs B complains that National Westminster Bank Plc claimed a direct debit despite her making a manual payment to the credit card account.

What happened

Mrs B says that she made payments towards her credit card account totalling £608.18 in August 2022. Despite this, NatWest attempted to take the direct debit of £699.42 on 6 September 2022, instead of the difference between the two figures of £91.42. Mrs B felt this was an error and raised a complaint with NatWest. She also mentioned that she had tried to use her debit card in a NatWest cash machine but it was unable to process her transaction.

NatWest issued a final response letter on 10 October 2022. In this, it explained that it had collected the direct debit correctly, in line with the terms and conditions of the account. It pointed to the term that states *'If a Direct Debit is set up to claim the minimum statement balance, any additional payments or refunds that reach your account up to 6 working days before the due date will not reduce the amount due to claim.'* They also said that there were no blocks on Mrs B's account that would have affected her ability to use her card in a cash machine. And they directed her to ask for a replacement card if she was having issues.

Mrs B referred the complaint to our service and our Investigator looked into it. They agreed that the amount claimed for the direct debit was correct as per the terms and conditions of the account. And they felt that there may have been an issue with Mrs B's credit card when she used the cash machine as NatWest had confirmed there was no block on her account. But overall, they did not agree that NatWest had made an error in the circumstances.

Mrs B was unhappy with the response. She still felt that the direct debit should only have taken £91.42 considering her earlier manual payments. And she felt the unclaimed direct debit would affect her relationship with her bank. She also mentioned other issues with a repayment plan, the bank not helping her effectively when she responded to their offer of assistance and statements she had received since raising this complaint.

As an informal agreement could not be reached, the complaint has been passed to me for a final 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 done so, I agree with the Investigator for largely the same reasons. And I don't direct NatWest to take any action to remedy the complaint. I'll explain why in more detail.

Mrs B has mentioned a number of other issues related to NatWest not sufficiently helping

her when she was in persistent debt. However, this has already been dealt with as part of a separate decision made by another ombudsman, so I won't be considering this aspect of the complaint within this decision. Mrs B has also raised the issue of statements she has received since entering a repayment plan. However, this point has now been raised as a separate complaint, so this will not form part of my decision. I will focus on the issue of the collected direct debit and the issues Mrs B had using her card in the cash machine.

I'll firstly focus on the direct debit. Mrs B is unhappy that the direct debit collected the full minimum payment of £699.42 in September 2022, despite her making manual payments of over £600 before this. The specific terms and conditions state:

'If a Direct Debit is set up to claim the minimum statement balance, any additional payments or refunds that reach your account up to 6 working days before the due date will not reduce the amount due to claim. If the full statement balance has been manually paid the Direct Debit will not claim to avoid the account going into credit, and if the minimum payment is greater than your balance, we will reduce the amount claimed to avoid your account going into credit.'

Looking at the statements, I can see that Mrs B's direct debit was set up to claim the minimum statement balance. Mrs B made additional payments to the account more than six days before the due date, and the terms and conditions state these will therefore not reduce the amount due to be claimed. NatWest therefore did not make an error when it claimed the minimum statement balance of £699.42. And it does not have to take any action to remedy this.

Mrs B has said that she went to use her account in a NatWest cash machine, but she could not complete her transaction and the machine directed her to contact NatWest. Mrs B felt her card had been blocked by NatWest.

NatWest has confirmed that no block had been applied to Mrs B's card and they have no record of it being used in a cash machine. As a result, they think her card may have been faulty and can see a new one was sent to Mrs B which has since been used.

Considering this, as NatWest has confirmed no block had been applied to her card, I think it's more likely there was an issue with the card itself. As NatWest was able to send her a new card which she could then use, I see no reason for NatWest to take any further action in relation to this complaint point.

On balance, I do not think that NatWest has made an error in the circumstances in relation to the direct debit or the issues with Mrs B being able to use her card in the cash machine.

My final decision

I do not uphold Mrs B's complaint against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 18 August 2023.

Rebecca Norris
Ombudsman