

## **The complaint**

Ms S complains that National Westminster Bank Plc ("NatWest") refused to allow her to withdraw cash from her account.

## **What happened**

Ms S attempted to withdraw £6,000 in cash from her account while in a NatWest branch. When asked what it was for, she was not happy about answering personal questions about how she wanted to use her money. When pushed for an answer, she said it was a gift for a friend, but didn't want to go into much more detail. The cashier explained that they were unwilling to allow Ms S to withdraw the large amount of cash as they weren't satisfied Ms S was not the possible victim of a scam.

Ms S telephoned NatWest shortly after the branch visit and made a request to collect £2,000 in cash, which was processed. When she went into the branch to try and collect this, she was advised the branch staff were unwilling to process the withdrawal, due to the earlier interaction that day. Ms S then asked to close her account and have her funds withdrawn as cash instead. The branch staff explained this would still be a request for a cash withdrawal, which they had explained they would not process for Ms S without further information about what the payment was for. Ms S was permitted to withdraw just under £1,000 in cash on that day.

Ms S telephoned NatWest and made a request to withdraw £5,700 in branch the following day. The call handler took Ms S through some scam and fraud questions over the phone and when questioned what the payment was for, Ms S confirmed it was a gift. When Ms S visited the branch the following day, she was asked questions around the cash withdrawal and what it was for. When Ms S said it was for a friend to have building work completed, she was asked to provide evidence such as an invoice. Ms S was unhappy with this and left the branch without withdrawing any cash. On the same visit, Ms S identified herself in the branch in order to release frozen online payment that was being made to an account in her name with a third-party bank. Ms S says she was made to show the banking app with the third-party bank to the cashier and feels this was a violation of her privacy.

Ms S made another visit to the same branch a few days later. She made another request to withdraw £4,000 in cash, and recorded her interaction with the branch staff on her mobile phone. The branch staff refused to process the cash withdrawal as Ms S did not provide additional information about the withdrawals to what had already been provided on previous visits. Ms S wanted more of an explanation about why NatWest had to ask questions around what the payment was for. Eventually, Ms S was asked to leave otherwise the branch staff would call the police, which she did.

Ms S eventually closed her accounts with NatWest and transferred her balance to another account in her name with a third-party bank. She raised a formal complaint with NatWest about the fact they denied her requests to withdraw cash from her account.

NatWest issued a final response letter in which it explained the branch staff had followed the correct procedure and had not made an error in refusing Ms S' cash withdrawal requests.

They said this was in line with the Financial Conduct Authority's principles.

Ms S referred her complaint to our service. Our investigator assessed the complaint and felt NatWest acted reasonably when it asked Ms S questions about what the cash was for. And that it acted fairly when refusing to carry out Ms S' instruction when she did not give sufficient information about the withdrawal and what it was for. They recognised that Ms S hadn't been given clear information from staff about what guidance or regulations allowed banks to ask about the purpose of a payment or withdrawal. And that NatWest had apologised for this. Because of this, the investigator did not uphold Ms S' complaint.

Ms S did not agree with the outcome. She felt she had given enough information to the bank and answered their scam questions in later phone calls. So she didn't think she had breached the terms and conditions of the account by not providing a reason for the withdrawal. She was unhappy she had not received callbacks as requested and that some phone calls with NatWest had become disconnected. She also felt she had been lied to in branch when she was told a member of staff was a manager, but they turned out not to be.

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 think NatWest has acted fairly, and reasonably in the circumstances when it declined Ms S' cash withdrawal requests. I'll explain why in more detail.

Ms S has raised a number of complaint points during her case journey. I'll focus on what I think are the important points in order to reach a final decision. I've carefully considered all the points she has made, even if I don't specifically address them.

My understanding of the crux of Ms S' complaint is that she was declined her request for a cash withdrawal from her account on more than one occasion. What I therefore need to consider, is whether NatWest is able to refuse to pay Ms S in cash.

Ms S has specifically asked what the legal position is in these circumstances. In simple terms, where money is held on deposit, the relationship between a customer and their bank is primarily that of debtor and creditor.

When Ms S makes an order to make a payment, such as a cash withdrawal, NatWest acts as Ms S' agent in carrying out that instruction. NatWest has a duty to exercise reasonable skill and care in carrying out Ms S' instructions. As a result, NatWest is under a duty to refrain from making a payment if it has reasonable grounds for believing, for example, that the instruction relates to fraud or any other criminal act. Given NatWest's obligations to protect its customers from potential fraud or scams, it can be expected to make reasonable enquiries including – but not limited to – the circumstances surrounding the payment instruction, in this case a large cash withdrawal.

On the first visit to the branch, Ms S was requesting to withdraw £6,000 in cash, which is a relatively unusual request. So, keeping in mind NatWest's duties as outlined above, I would expect it, as a matter of good practice, to take steps to ensure Ms S had not been tricked or coerced into making the cash withdrawal. And I would expect it to ask about the reason for the withdrawal and query why a safer method of payment could not be used.

On that first visit, Ms S was initially unwilling to answer any questions about what the payment was for. And I can understand that this would raise concern for the branch staff at NatWest. Ms S eventually confirmed this was a gift, and I think it was reasonable for the NatWest staff to be wary of this answer, as £6,000 is a relatively large amount of cash to gift and could be given via a safer method. The branch staff who were working that day have said they did offer to facilitate a transfer, as that way they could check that the name of the payee on the account matched the individual that Ms S was sending the money to. But Ms S did not want to do a transfer and wanted to withdraw the funds as cash.

I think that it was reasonable for NatWest to offer to facilitate a transfer and it's what I would have expected it to do in the circumstances. Looking at the terms and conditions of the account, they say that Natwest is able to '*suspend, restrict or stop access to your account or to certain services....*' If they '*believe it is appropriate in order to protect your account*'. And I think this is what they have done in the circumstances. They restricted Ms S' access to her cash withdrawal facility as they had a genuine concern about the safety of her account. The terms and conditions of the account do not set out a withdrawal limit in branch and they've explained this would be down to the individual judgement of the staff in branch. And I think this is why Ms S was able to withdraw just under £1,000 on the first day she visited the branch, but no more than that. Ultimately, I think NatWest has acted fairly in the circumstances and have done so with the best interest of Ms S in mind.

Ms S then chose to visit the branch a number of times over the following few days to make similar requests and telephoned NatWest to arrange for cash withdrawals in the branch. And each time she didn't give much more information about the what the payment was for. I note that on one occasion she said it was for a friend to have building work carried out on her home. When asked for more information about the building work, Ms S was unwilling to provide any evidence to show what the work was for. Considering that Ms S had previously been unwilling to provide answers and had then said the funds were a gift, I can understand that NatWest would require further evidence to show the payment was intended for building work. Ultimately, Ms S chose to try and repeat the same request after she'd already been told it wasn't possible, and I don't think NatWest has made an error in continuing to deny her requests for a withdrawal.

Ms S has expressed frustration that various members of staff could not explain the legal precedent or the exact part of the terms and conditions that meant she had to answer questions about why she wanted to withdraw large sums of cash. I appreciate this must have been frustrating for Ms S. But I don't think this is something I would expect every member of staff at NatWest to know, as a number of principles and guidelines have formed NatWest's internal policy. And ultimately, I think its unlikely Ms S knowing this information would have helped the situation, as it would not have changed what was required for Ms S to withdraw the £6,000 in cash.

Ms S has raised a number of additional points around the customer service she received while dealing with the cash withdrawal requests. Firstly, she is unhappy that NatWest branch staff threatened to call the police. Both Ms S and NatWest are in agreement that this happened. This was during a visit where Ms S was recording the branch staff and it appears she did not gain their consent for doing so. I can understand how this could be perceived as intimidating by the branch staff. Considering this was Ms S's fourth visit to the branch where she was making a similar withdrawal request despite being denied previously, and according to the branch staff she had been asked to leave already but had not done so, I think it was a reasonable next step for the branch staff to warn Ms S that they would involve the police if she didn't leave the premises. And I don't think they have made an error in the circumstances.

Ms S has said that she attempted to make an online transfer to an account in her own name.

This was flagged as potentially fraudulent and so she visited a branch to provide identification and get the transfer unblocked. Ms S has said she was asked to show her bank card for the third-party account, as well as the application for the account on her phone showing the account details and the incomings and outgoings of the account to unblock the transfer. She felt this was an infringement of her privacy.

The customer contact notes that NatWest has provided show that the member of staff did ask to see Ms S' banking application so they could ensure the account details matched the ones that had been input for the online transfer. Depending on what information was on Ms S' debit card for the third-party bank, I think it was reasonable for the NatWest staff to ensure the account number and sort code matched what had been entered for the online transfer and that the account was in Ms S' name. Ms S has said she was also asked to show the account incomings and outgoings, and it isn't clear why this would be necessary. Though I note this is not mentioned in the contact notes left by the cashier. On balance, I think it's more likely the cashier asked to verify the account details only, which was information Ms S had already entered when making the transfer online, so was information the cashier was already privy to. And I think this was reasonable in the circumstances, so I don't think NatWest has made an error.

Ms S has said she was told a member of staff was the manager, and later found out this was incorrect. As a result, she felt she was lied to. NatWest has said that when Ms S asked to see a manager, the most senior member of staff working that day attended to her as no managers were available at that time. I don't think it was unreasonable for the most senior member of staff to deal with Ms S's requests in place of a manager when one was not available. And I don't think they needed to make it clearer to Ms S what job title each staff held in order to help her with her enquiries.

In summary, I think NatWest was correct to ask Ms S questions about what the large cash withdrawals were for and I think it was reasonable they had cause for concern when Ms S was unwilling to provide answers, or could not provide evidence to support her answers. I therefore don't think NatWest has made an error in declining Ms S' requests for cash withdrawals.

### **My final decision**

I do not uphold Ms S' complaint against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 30 November 2022.

Rebecca Norris  
**Ombudsman**