

## **The complaint**

Mr and Mrs M are deeply unhappy with the way National Westminster Bank Plc treated Mr M after his account was blocked. As Mr M has brought the complaint I will refer to him throughout this decision.

## **What happened**

NatWest restricted Mr M's access to his accounts for two days after a transaction he made was blocked on 29 August 2021. He was asked to provide proof of identification in a branch to allow the transaction to go ahead. He called back to cancel the transaction, explaining it was vital he had online access to his accounts to monitor his finances. He had to call back again on 31 August 2021 after his debit card didn't work for those two days and nor had he online access, NatWest then removed the block.

Mr M says the inability to monitor his finances caused him significant stress: he has a number of accounts, with multiple payments due and a high value of funds held at the bank. NatWest explained that it followed its standard process when it blocked the transaction for fraud checks, in line with the terms of the account. But to recognise the poor service Mr M received when he called in it credited his account with £75.

Mr and Mrs M say this does not acknowledge their tenure. They want a full apology; that the bank be censured for its attitude to a long-term, loyal client; and more meaningful compensation.

Our investigator found that NatWest had acted in error on 29 August 2021 when it failed to restore Mr M's online banking access after he called and confirmed the blocked transaction could be cancelled. He did not find it had done anything wrong when it initially blocked the transaction. He noted that the £75 compensation already paid was for the poor service Mr M received when he called to resolve this. But he found the bank still needed to apologise for the impact of its error on Mr M and it should pay £100 compensation for the trouble and upset its error caused him.

Unhappy with what he sees as a derisory level of compensation given he has been a faithful client for over 60 years, Mr M asked for an ombudsman's review. He said the compensation needed to increase ten-fold to be meaningful. So the complaint was passed to me.

## **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.

As the facts of this case do not appear to be in dispute – NatWest was within its rights to block the initial transaction for fraud checks, but could have lifted the block and restrictions on Mr M's online banking that same day when he called to say the transaction could be cancelled – I will focus here on what remains in dispute: how NatWest should put things right.

Mr M told us about the impact of the bank's error on him. He holds significant funds with the bank and says he suffered both physically and mentally when he lost access to his accounts over the bank holiday weekend. He also found the bank's response troubling, citing a lack of respect and care for supportive long-standing customers. He confirmed he suffered no financial loss as a result of the two-day restriction.

I have thought carefully about what Mr M has asked for. I think his request for an appropriate apology is fair. Whilst the final response letter apologised for poor service on the phone, NatWest has not acknowledged the distress Mr M experienced. This could have been prevented had NatWest removed the block and re-instated the online banking access when Mr M agreed the blocked transaction could be cancelled. For this it should apologise.

In terms of financial compensation, Mr M suffered no financial loss that needs to be made good. But he has clearly experienced personal distress. I find the investigator's recommended payment of £100 to be fair and reasonable. In reaching this conclusion I have considered the loss of banking services Mr M experienced, but also the length of time he was without the facilities - and that it did not cause him any financial loss which would, I expect, have increased his distress.

### **Putting things right**

NatWest should now send a letter of apology and £100 compensation to Mr and Mrs M.

### **My final decision**

I am upholding this complaint. National Westminster Bank Plc must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr M to accept or reject my decision before 6 July 2022.

Rebecca Connelley  
**Ombudsman**