

## **The complaint**

Mr H is unhappy National Westminster Bank Plc (NatWest) restricted his accounts which meant he couldn't access the funds contained within them. During this time NatWest wouldn't give him any indication as to what was happening and why it had done this.

This decision focuses on Mr H's sole accounts. I'm aware Mr H also had joint accounts impacted by this same matter and this will be addressed in a separate decision.

## **What happened**

Mr H's accounts were blocked on 6 October 2021.

Following the block Mr H couldn't access his accounts online and see the balances and transactions on his accounts. When calling NatWest to query what was going on he was told they couldn't discuss the matter with him, and he'd need to wait for a call from the central office to find out more. He says he wasn't given a timeframe for this.

Mr H complained straight away, and NatWest issued a final response on 11 October 2021. In this it confirmed it hadn't made an error in blocking Mr H's accounts and it had followed all its internal processes and procedures correctly. It explained it didn't have to share its reasons for blocking his accounts with him. It told him the block would remain in place for now and it would be in touch in due course but couldn't provide a timescale for this.

The account restriction was lifted on 14 October 2021 and Mr H was able to access his accounts and money after this date.

Mr H referred his complaint to our service explaining that the block had left his family destitute with no money to buy food or pay bills as money was stuck in the blocked accounts. When asked about the impact, he explained that he didn't have any substantial losses to recover but was more aggravated by how NatWest could do this to customers and would want to prevent it happening to anyone else.

Our investigator upheld Mr H's complaint. She explained that NatWest hadn't provided enough information for her to conclude it had blocked Mr H's accounts fairly on this occasion. She recommended it pay Mr H £50 in recognition of the impact the block had on him. Despite NatWest not agreeing with the investigator's findings, it agreed to pay the £50. However, Mr H remained unhappy. He explained the amount doesn't reflect the stress and damage caused to him.

Because Mr H disagreed, the complaint has been passed to me to decide.

## **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.

NatWest has a wide range of legal and regulatory obligations it must meet when providing

account services to its customers. These obligations are ongoing so don't just apply at account opening stage. To comply with these obligations, it may need to review accounts and the activity taking place on them. Sometimes these reviews will lead to the accounts being blocked. If NatWest didn't do this, it could risk serious sanction.

NatWest isn't under any obligation to reveal to a customer why it blocked an account. This information is often commercially sensitive. So, I don't think NatWest did anything wrong in not communicating its reasons for blocking the accounts to Mr H at the time of the block, or since.

However, NatWest does need to provide information to this service so we can fairly decide a complaint. NatWest hasn't done so on this occasion, and it means I can't fairly and reasonably conclude it has complied with the legal and regulatory obligations when blocking Mr H's accounts.

I've considered what NatWest has said about why it won't provide further information to our service about the reasons for the block on Mr H's accounts. This service has the power to request evidence of this nature under the dispute resolution rules (DISP) and I'm not persuaded the reasons given by NatWest exclude it from complying with these rules.

Taking this into account, I agree NatWest should pay Mr H compensation for the trouble and upset he faced by having his accounts blocked.

NatWest agreed to pay £50 as recommended by our investigator. Whilst I appreciate Mr H thinks he should receive more; I don't feel this would be warranted in the circumstances. I don't dispute being unable to access or view his accounts for just over a week would've been distressing, but Mr H himself has said he didn't suffer any substantial losses as a result of the block, and I can see from the statements I've reviewed that these accounts weren't used for everyday expenses. Instead, Mr H is frustrated that NatWest would do this to a customer and so I feel for this frustration and the worry caused, £50 is fair and reasonable.

### **Putting things right**

I direct NatWest to pay Mr H £50 for the worry and frustration caused by blocking his accounts.

### **My final decision**

My final decision is that I uphold Mr H's complaint against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 2 February 2023.

Sarah Brimacombe  
**Ombudsman**