

The complaint

Mrs F – as executor of the late Mrs G’s estate, complains that National Westminster Bank Plc (NatWest) delayed Mrs G’s request to transfer funds to an investment company.

What happened

Prior to her passing Mrs G sold her house. On 30 June 2021 she called NatWest to request that they make a payment of just over £550,000 to an investment company. The call handler told Mrs G that she needed to go into a branch to make this payment as it wasn’t something they could authorise over the phone. Mrs G told the call handler that she was housebound and wasn’t able to attend a branch. The call handler insisted that this payment wasn’t something she could complete over the phone, and that Mrs G either needed to attend a branch or send a letter of authorisation to the bank by fax.

On 1 July 2021, on her mother’s behalf, Mrs F called NatWest’s vulnerable customer team to discuss the payment. Mrs F explained that she held a Power of Attorney (POA) for her mother who was housebound and on oxygen due to ill-health. She added that her mother wasn’t physically able to attend a branch to make the payment and they didn’t have access to a fax machine. The vulnerable customer team understood the position and said they could authorise the payment, but it would still be subject to security checks.

Mrs F then contacted the premier banking team and ultimately the payment was made on 8 July 2021. Mrs F raised a complaint with NatWest on behalf of her mother. She said:

- NatWest had unduly delayed the payment being made.
- Mrs G felt she’d been discriminated against based on disability. If Mrs G had been able to attend the payment would’ve been processed the same day.
- She had to call NatWest multiple times for updates, was given incorrect information.
- Her mother’s health had been impacted, and the money was unnecessarily left in her mother’s account, leaving her in a financially vulnerable position.

NatWest responded to Mrs F’s complaint. They said they’d followed the right process in making further security checks, as they have a duty of care to protect their customers from potential fraud. As a gesture of goodwill NatWest refunded the CHAPS payment fee of £20.

Unhappy with NatWest’s final response Mrs F referred the complaint to our service. One of our investigators looked into Mrs F’s concerns, and she asked NatWest to pay £200 compensation in addition to the refund of the payment fee. NatWest accepted the investigators recommendation, but Mrs F remained unhappy. She said £200 didn’t recognise the level of distress caused.

So, the complaint was passed to me and I issued a provisional decision.

What I said in my provisional decision dated 19 December 2022

Firstly, I’d like to express my condolences to Mrs F on the loss of her mother as she passed away during the course of this complaint.

Transfer request

I've listened to the call Mrs G had with NatWest on 30 June 2021. I'm satisfied NatWest were correct in saying that this payment instruction wouldn't normally be processed over the phone due to the telephone transfer payment limits for the type of account Mrs G had. However, it's clear Mrs G explained to the call handler that she was housebound and unable to get to a branch or fax a written instruction.

On becoming aware of the late Mrs G's vulnerabilities, I would've expected the call handler to have acted in line with NatWest's vulnerable consumer policy (which NatWest have given me a copy of). This states that on identifying that a customer has a vulnerability, that it should establish what support they require and document this in order to minimise their susceptibility to detriment.

NatWest haven't disputed the fact that they should have supported Mrs G better from the moment she made them aware of her vulnerabilities. Following the call NatWest had with Mrs F about the payment, they then noted Mrs G's ill health and gave her a premier banking portfolio which allowed higher telephone payment limits.

In recognition of the trouble Mrs G had to go to for NatWest to recognise her vulnerabilities, and the upset of being told she'd have to go to a branch when she was house bound, they've offered £200 compensation in addition to a refund of the £20 payment fee. I understand Mrs F doesn't think this amount will have any impact on NatWest. So, I think it would be helpful if I explain that our role is to consider if Mrs G suffered a financial loss and/or material distress and inconvenience. It's not our role to punish NatWest – we aren't the regulator.

Having thought about this matter, while the transfer request was delayed, the issue was resolved in around a week. So, I'm satisfied that £200 fairly recognises the distress and inconvenience caused. I do understand that Mrs F also contacted NatWest on Mrs G's behalf, but we can only award compensation to the eligible complaint – in this case, Mrs G and now her estate. So, I won't be asking NatWest to pay any further compensation in relation to this complaint point.

Discrimination

Mrs F says that NatWest discriminated against her mother on the grounds of her disability and left her financially vulnerable causing stress and worry which impacted her ill health. It's not our role to consider if NatWest breached the Equality Act 2010 – that's a matter for the courts. Our role is to decide what's fair and reasonable in all the circumstances.

In order to decide that, however, we have to take a number of things into account including relevant law and what we consider to be good industry practice at the time. So, although it's for the Courts to say whether or not NatWest has breached the Equality Act 2010, we're required to take the Equality Act 2010 into account, if it's relevant, amongst other things when deciding what is fair and reasonable in the circumstances of the complaint.

Having done so, I'm not persuaded that Mrs G was treated unfairly by NatWest. NatWest have a duty of care to protect all customers. I appreciate that the late Mrs G wasn't able to go to a branch to make the payment or fax her instruction over to the bank. But upon being notified of Mrs G's health and disability, NatWest act reasonably in accepting her request for the payment to be made over the phone, by giving her a premier banking profile, even though it was a day later than her original request.

And the additional security checks NatWest completed were in line with the account terms and conditions and applied to all customers with the type of account Mrs G held, and the size of the transaction she wanted to make.

Therefore, I'm persuaded that NatWest treated Mrs G fairly and reasonably considering her disability, and in line with any other customer in the same circumstances. So, I won't be asking NatWest to do anything further in relation to this aspect of the complaint.

Delays in processing the payment

Mrs F says the payment request made by her mother was delayed by 10-13 days. And when she called NatWest for updates, she was told incorrect information and given the impression that the payment would be paid sooner than it was. I thought it would be helpful to set out a timeline of the processing of the payment.

- *30 June – Mrs G calls NatWest to request the transfer of funds.*
- *1 July – Mrs F calls in Mrs G presence to request the transfer again. Mrs F is told the payment would be made by the next day subject to further security checks.*
- *2 July – NatWest send the payment for further security checks. The security team then request further information from the processing team.*
- *3 July – Saturday, non-processing day.*
- *4 July – Sunday, non-processing day.*
- *5 July – Further information requested sent to the security team.*
- *8 July – The payment was processed and sent to the investment company as instructed by Mrs G.*

I've looked at the account terms and conditions in relation to payment requests. These state that 'In limited circumstances (for example, if they suspect fraud), the payment may take longer to reach the payee's account'. It also says they'll follow payment instructions unless: 'we reasonably believe you didn't authorise the instruction, we reasonably suspect the instruction is fraudulent'.

Considering the large amount that Mrs G wanted to transfer, and that she was a vulnerable customer, I'm satisfied it was reasonable for NatWest to take extra steps to make sure the payment was genuine. Therefore, I'm satisfied that this transfer instruction would've taken longer than usual. However, I'm persuaded that there were some unnecessary delays.

Mrs F says that Mrs G lost just under £50 a day interest while the money was being held by NatWest. From setting out the above, I think the payment has been unnecessarily delayed by four days as follows:

- *Day 1 – The payment was delayed by one day as initial instruction made by the late Mrs G on 30/06/2021 wasn't accepted until the next day when Mrs F called.*
- *Day 2 – The payment processing team didn't submit the payment for further security checks until the next day.*
- *Day 3 and 4 – The security team have all information needed to make the payment on 5th July, so I would've expected the payment to have been made that day.*

I'm persuaded that the late Mrs G has lost out financially as a result of her payment instruction being delayed unnecessarily. To put this right, NatWest should pay the estate of the late Mrs G, an additional £200 for the four days lost interest as set out above. This is in addition to the distress and inconvenience award mentioned above.

And I said I had provisionally decided – subject to further comments, that NatWest should pay the estate of the late Mrs G:

- £200 in recognition of the distress and inconvenience caused; and
- £200 for the lost interest plus 8% simple interest for the delays in processing a bank transfer.

Responses to my provisional decision

I invited both parties to send any additional comments or evidence they had before reaching a final decision. Barclaycard responded to say it didn't have anything further to add and that they'd be happy to resolve the complaint in the way I recommended in my provisional decision.

Mrs F responded and made further comments about the poor and unsympathetic service Mrs G had received from NatWest considering her vulnerabilities. She also made further comments on the conflicting information given to Mrs F several occasions when she called NatWest to establish why the transfer hadn't been made. And that the payment was delayed after the security checks had been completed.

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 thought about what Mrs F has said in response to my provisional decision, I'm satisfied the service both her and her late mother received from NatWest have been considered in my provisional decision. I'm satisfied that £200 fairly recognises the distress and inconvenience caused, and as explained in my provisional decision, we can only award compensation to the eligible complaint – in this case, Mrs G and now her estate.

I'm also satisfied that the delay in transfer the funds was also addressed in my provisional decision. I'm satisfied that £200 plus 8% interest fairly represents the financial loss caused because of the delay.

So, I want to thank Mrs F for her further comments, but ultimately this doesn't change my decision.

Putting things right

National Westminster Bank Plc should now pay the estate of the late Mrs G:

- £200 in recognition of the distress and inconvenience caused; and
- £200 for the lost interest plus 8% simple interest for the delays in processing a bank transfer.

My final decision

For the reasons I've given above and in my provisional decision, I uphold Mrs F's complaint. National Westminster Bank Plc should now settle the matter as set out above. Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of the late Mrs G to accept or reject my decision before 7 February 2023.

Helen Giles
Ombudsman