

## The complaint

Ms G complains that National Westminster Bank Plc wouldn't allow her to withdraw her money.

## What happened

Ms G visited a NatWest branch to withdraw money as she was considering putting the money into an Individual Savings Account (ISA) but hadn't decided at that point where to place it. She also says her closest bank branch was closing, and she would then need to travel by bus to a branch. When she requested to withdraw the money, she was initially refused, but after further questions she was allowed to withdraw £5,000. She then visited her local branch to withdraw a further amount and says she as told she could do this the next day. She then asked about using ATMS and was told she could withdraw £1,500 a day from certain ATMs. However, she was then called to say that she wouldn't be able to withdraw the money she had requested and that the limit for the ATMs was £250 a day. Ms G says she was cross examined about why she wanted the money and threatened with the police being contacted if she tried to withdraw any more large amounts. Ms G says this has made her too nervous to use her account and has needed to borrow money from relatives.

NatWest issued a final response letter to Ms G in April 2023. It said that when a customer wishes to withdraw a large amount of money, they are referred to a private area to speak with an adviser so the reasons for the request can be established. It said that Ms G wasn't willing to provide the reason for her request and so Ms G then spoke to a manager. She was asked if she could carry out a bank transfer instead, but Ms G didn't want to do this and after further questioning the £5,000 withdrawal was agreed. Ms G then spoke with her local branch and further concerns were raised about the large cash withdrawals. NatWest said that it wouldn't be looking to authorise any more large cash withdrawals without evidence of where the money was going. NatWest apologised that Ms G was left for a period of time not knowing what was happening and said that feedback would be provided and £50 was paid as an apology.

Ms G wasn't satisfied with NatWest's response and referred he complaint to this service.

Our investigator upheld this complaint. He said that while NatWest had a duty of care towards Ms G he thought it had over-stepped its authority in this case and felt the suggestion of police involvement came across as threatening rather than supportive which is why Ms G hasn't wanted to use her account since. He noted that Ms G was well known to the branches she used, brought sufficient ID to make the cash withdrawal and had said she provided the reasons for her withdrawal. He further noted that had NatWest been unclear whether there was a valid reason for the withdrawal on the day, Ms G provided this information in the email dated 4 April 2023. He said that NatWest's actions had a significant impact on Ms G and recommended that NatWest lift any holds preventing Ms G from withdrawing her cash and allow her to withdraw cash going forward, unless it could present a tangible reason why this shouldn't be allowed. And for the distress and inconvenience caused he recommended that NatWest pay Ms G £500 additional compensation.

NatWest didn't agree with our investigator's view. It said this service was aware of the large

number of scams that are occurring at present and that it had been told in previous occasions that it hadn't done enough to prevent a scam. It said it asked Ms G for evidence of the beneficiary for her own protection and didn't think it fair to say it had done something wrong. It said it couldn't guarantee that no future restrictions would be placed on Ms G's payments going forward as each payment is assessed individually.

### **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.

I recognise that NatWest is required to have security measures in place to protect its customers and I note its comments that the actions taken in this case were out of concern for Ms G. I understand that given the amount of fraud and scams that have occurred in recent times, that NatWest may take a more cautious approach when large cash withdrawals are requested but this approach shouldn't prevent a genuine customer accessing their money.

I assess each case based on its individual merits and in this case, I find that NatWest didn't provide Ms G with the service it should have. I say this because while the cash withdrawal may have been unusual activity for Ms G's account, she provided the branch staff with her ID, answered the questions required and explained why she was wishing to withdraw the money. While she didn't provide a final destination for the money, this is because she hadn't at that time decided on which product to invest in and she didn't wish to disclose her investment plans to the bank. Ms G has also explained that she is known at both branches she visited, and I have nothing to suggest that the bank staff were concerned that Ms G either lacked capacity to make the withdrawal decision or that she was acting in a way that would raise concerns about her behaviour.

Therefore, while agree that NatWest was right to ask questions before releasing the money, as Ms G answered the questions raised (even if this was to say she didn't have the details of where the money would be invested) I find it would have been reasonable in this case to have accepted her responses. I also agree that it was right to suggest other forms of payment, such as a bank transfer, but as Ms G said this wasn't what she wished to do, I find at this point the bank should have facilitated Ms G's cash withdrawal (even if this was subject to certain limits).

Following Ms G's visit to the branch she raised a complaint. In this she explained again the reason for wishing to make the withdrawal and why she was choosing to use cash rather than another form of money transfer. In this she noted that she had a safe at home (which she said she told the branch staff).

In response to Ms G's complaint email, a final response was issued, and NatWest also said that due to the recent activity on Ms G's account it would require evidence of the reason for any cash withdrawals going forward and if this wasn't provided then the police would be alerted. I do not think this was a reasonable response given the information that NatWest had been provided with. Ms G had said why she wanted the money and that she didn't want to share details of where she had other accounts. While this may not have been the answer NatWest wanted it is Ms G's right to not share her other account details and this shouldn't mean she is then prevented from withdrawing her money. I also note that Ms G offered to sign a waiver saying she wouldn't expect repayment of the amounts she was withdrawing.

Based on the above, I do not find that NatWest provided Ms G with the service it should have and I find she should be compensated for this. I have taken into account the details Ms G has provided about her branch visits and how she was treated as well as the stress

she has explained since this issue arose due to her concerns that any cash withdrawal may result in the police being alerted. I note she has said she has needed to rely on family as she has been too nervous to access the money in her account. Therefore, I find this issue has caused Ms G a great deal of stress and inconvenience and I agree with our investigator's recommendation that she be paid £500 compensation.

Our investigator also recommended that NatWest lift any holds preventing Ms G from withdrawing cash from her account and allow her to withdraw cash going forward, unless it could present a tangible reason why it shouldn't. NatWest responded to this point saying that it couldn't guarantee that no future restrictions would be placed on Ms G's payments going forward as each payment is assessed individually. In this case I agree with our investigator that any hold arising from the issues that occurred in April 2023 should be removed from Ms G's account. However, I also agree that this shouldn't mean Ms G's account won't be subject to the usual checks going forward as Ms G shouldn't be left exposed to any future issues as a result of this complaint. That said, going forward, we would expect NatWest to consider any requests Ms G may make in regard to accessing her funds with the reasonable balance of providing protection through its security checks while still allowing her access to her money when she makes it clear the request is genuine.

### **Putting things right**

NatWest should:

- lift the hold placed on Ms G's account as a result of the April 2023 issue. While NatWest is required to undertake certain security checks and has a duty of care to Ms G going forward, we would expect the checks undertaken to be reasonable and not unnecessarily prevent Ms G making future withdrawals for genuine reasons as she provided in this case.
- Pay Ms G £500 additional compensation for the distress and inconvenience this issues has caused Ms G.

### **My final decision**

My final decision is that I uphold this complaint. National Westminster Bank Plc should take the actions set out above in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 20 December 2023.

Jane Archer  
**Ombudsman**