

## **The complaint**

Miss B complains that National Westminster Bank Plc blocked her personal account in October 2022. She would like to know the reason and compensation for the upset and loss of use of funds.

## **What happened**

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Miss B had a personal account with NatWest. In October 2022 the account was blocked. The account was unblocked on 12 October 2022.

An exit letter was sent to Miss B regarding her personal account giving her 60 days' notice to close the account on 28 October 2022. I understand that the closure is the subject of a complaint with our service. I won't be dealing with issues relating to the account closure in this decision.

Miss B complained to NatWest. They said there had been no error, the account was being reviewed by a specialist team and there was no exact timescale for the review.

Miss B complained to our service. One of our investigators looked into the complaint. She didn't think NatWest had provided us enough information to conclude they had acted fairly when they reviewed the account. She awarded compensation of £100 for the inconvenience. And 8% simple interest on £76,484.31, the balance on the account, from 4 October 2022 to 12 October 2022.

Miss B accepted the view. NatWest disagreed.

As there was no agreement the matter has come 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.

Financial businesses, like NatWest, are subject to a number of legal and regulatory requirements. These mean they have to monitor their customers' accounts and may need to review an account at any time. While that is happening, they may need to block or restrict any payments.

This is reflected in NatWest's terms and conditions. These say NatWest can block an account to meet its legal obligations and delay payments if needed to carry out further checks. In this case NatWest have said they were following their regulatory obligations when they blocked the account.

NatWest needs to provide information to this service so we can fairly decide a complaint. NatWest has failed to provide sufficient information about why it blocked Miss B's account. I have seen what NatWest have provided. I can see we asked NatWest for more information, and they haven't been able to provide it. So, in this particular case, because of the lack of complete information, I can't be satisfied that NatWest has treated Miss B fairly when it blocked her account. Taking this into account, I agree with the investigator that NatWest should pay Miss B compensation for the trouble and upset caused by blocking her account from 4 October 2022 to 12 October 2022 as well as 8% interest for not having access to her funds during this period.

### **Putting things right**

NatWest should pay Miss B £100 in compensation for the distress and inconvenience of the account block. In addition, because she was deprived of the use of her funds, she should receive 8% simple interest on the balance in her current account of £76,484.31 from 4 October 2022 to 12 October 2022.

### **My final decision**

For the reasons stated above I uphold the complaint. I direct National Westminster Bank Plc to pay Miss B £100 compensation for the distress caused together with 8% simple interest on the balance of £76,484.31 in her current account from 4 October 2022 to 12 October 2022.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 1 May 2024.

Esperanza Fuentes  
**Ombudsman**