

The complaint

Mr V complains that The Royal Bank of Scotland Plc blocked a regular transfer from his UK account to his overseas account. He wants assurances that future payments will not be blocked.

What happened

Mr V says he makes regular transfers from his UK account to his overseas account but these have been blocked on two occasions. He says he has complained in writing to RBS on three separate occasions, but it still blocks the transfer. He says RBS have been unhelpful when he has raised the issue, and he is just told to complain again. He says the delays in the transfers have brought his reputation with his overseas bank into question and he has incurred late payment charges.

RBS issued a final response dated 19 April 2024. This said that two transactions to Mr V's overseas account were blocked by its fraud team for a security check. It said Mr V spoke with the fraud team and the payments were rejected. RBS said it had acted in line with its fraud prevention strategies and there had been no bank error. It said it couldn't guarantee that any future transaction wouldn't be blocked. It did agree with Mr V's complaint about not being able to talk to someone senior and that he was told his complaint had been resolved. Because of this it credited his account with £75.

Mr V wasn't satisfied with RBS's response and referred his complaint to this service.

Our investigator explained that RBS was required to have appropriate controls and systems in place to protect customers against fraud. He said that Mr V's transactions were flagged by RBS's fraud systems in line with the account terms. He noted Mr V's comment about the intrusive nature of the questions he was asked by RBS's fraud team but didn't think the questions asked were unreasonable. Based on this he didn't think that RBS had done anything wrong and therefore he didn't uphold this complaint.

Mr V didn't accept our investigator's view and so his complaint has been passed to me an ombudsman to issue a decision.

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 can understand why Mr V was frustrated by his payments being blocked but for me to uphold this complaint I would need to be satisfied that RBS had done something wrong or treated Mr V unfairly.

Mr V tried to make two payments to an overseas account on 2 April 2024. These payments were flagged by RBS's fraud team for a security check. As our investigator explained, banks are required to have systems in place to protect customers against fraud. Mr V's account terms set out that while RBS will follow Mr V's instructions it can delay or refuse a

transaction in certain circumstances including if it reasonably suspects a scam or fraud. Therefore, I cannot say that RBS was wrong to follow its usual process when Mr V's transactions were flagged for further security checks.

I have then considered whether the action taken by RBS when Mr V contacted it to confirm the transactions was reasonable. I have looked at the system notes from 2 April and listened to the call between Mr V and RBS. On this call Mr V explained that when he tried to authorise his payment to his overseas account, he is asked to contact RBS. He explained that this was the second time this had happened and expressed his dissatisfaction and asked for a complaint to be raised. Mr V was asked about the payments, and he challenged why this information was needed. It was explained that he needed to answer questions for the payments to be released. While I understand that Mr V didn't want to answer the questions being asked, as the transaction had been flagged for further security checks, I cannot say that RBS was wrong to conduct these checks. As Mr V didn't provide the answers to the questions, I cannot say the adviser was wrong to say that the payments wouldn't be released.

On the call Mr V asked to be passed to a senior colleague or to get a call back and he was told this couldn't happen. RBS acknowledged this wasn't the service he should have received in its final response letter and credited his account with £75 because of this (and because Mr V was told his complaint had been closed). I find this reasonable.

Mr V was then able to make his payments, but as these were delayed, he said that he incurred charges. I appreciate this was frustrating but as I cannot say that RBS did anything wrong by following its usual process when the transactions were flagged by its fraud system I do not hold it liable for these costs.

I also note that Mr V wanted to be assured that future payments wouldn't be caught by the fraud system. I can understand why he would want this, and I note he had made frequent payments to the overseas account previously without issue, but I wouldn't expect RBS to provide such a guarantee.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 22 October 2024.

Jane Archer
Ombudsman