

The complaint

Miss K complains that National Westminster Bank Plc (NatWest) gave incorrect information about her cash withdrawal limit. She also complains that her card and online banking were blocked whilst abroad.

What happened

Miss K has told our service that she was scheduled to fly out of the UK for an operation on 31 October 2023. She phoned NatWest four days prior to increase her withdrawal limit so she could withdraw £1,500 through an ATM, at the airport, on the day of departure. She says as this date coincided with her payday, and as the flight departed early in the morning, she wouldn't have been able to visit a bank before her flight.

Miss K says the agent assured her there wouldn't be any issues with what she'd asked.

However, upon arriving at the airport, she found she was locked out of her account and online banking. And as her flight was departing shortly after her attempts to withdraw her money, she waited until she'd arrived abroad before calling NatWest.

Miss K says the agent she spoke with deliberately made her fail security and said she'd need to visit a branch to regain access to her account. But as she wasn't in the UK, Miss K wasn't able to visit a branch and so she was given the option of validating her account and identity through a link in an email. Miss K says she did this but, when she phoned NatWest again, she was repeatedly told she'd need to visit a branch.

Miss K says the experience affected her mental health and left her without a place to stay during part of her time abroad. She says she was left without funds for seven days and ended up having to borrow money, sent to her travel companion, to pay for a hotel and towards her operation. She says the effects of the experience have persisted after the event and have continued to affect her personal life and mental health.

Miss K complained to NatWest. In its response, NatWest acknowledged her withdrawal limit hadn't been increased, but it didn't think it had done anything wrong in that regard. Neither did it think an error had been made in restricting her debit card and online banking. It explained a restriction was placed on Miss K's debit card as a fraud prevention measure which it had intended to protect her, and it, from potential fraud.

It added it didn't think that its agents had been wrong when refusing to discuss Miss K's account with her as she had failed to correctly answer their security questions. It said Miss K had been sent a link in order to complete the identification process by email. However, following further checks it said it was unable to offer this service, meaning Miss K had to wait until 8 November 2023, when she attended branch, to unblock her account.

Whilst NatWest maintained its position that no error had occurred, it credited Miss K's account with £100 as a gesture of goodwill.

Miss K wasn't satisfied with this response and asked our service to look into things.

Our Investigator didn't uphold Miss K's complaint. She said she couldn't see that NatWest had admitted it gave Miss K incorrect information, but was satisfied that the £100 goodwill payment NatWest had offered made up for the trouble and upset caused.

She also thought NatWest had acted fairly when blocking Miss K's withdrawal and restricting her account, in the interests of security, until she could be verified. She said NatWest had given Miss K the option of verifying her identity using her phone, through an identity confirmation tool, but Miss K had declined that service. Overall, whilst the Investigator said she understood Miss K's frustration, she didn't think NatWest had done anything wrong and so she wouldn't be asking it to do anything further for Miss K.

Miss K didn't agree. She said no option of using an identity confirmation tool had been given – only the option of an email, which she had accepted and used. She said she'd been made to fail verification with the agent during the fraud checks as she had no access to her online banking and had been asked questions about how much she'd spent. She added that the agent was rude and unfazed by her situation.

Miss K said NatWest had admitted its agent didn't increase her withdrawal limit in its letter to her, so she didn't understand why the Investigator made the finding that NatWest hadn't said it gave her incorrect information. And, she said, had she known the limit hadn't been increased, she would have amended her travel arrangements for the day of departure.

Miss K also raised concerns about NatWest applying blocks, and not removing them, when she had already told it her plans to withdraw cash from the airport and where she planned on going.

As no agreement could be reached, the case has been passed to me to decide. I issued a provisional decision on the matter. It said:

'I've thought about the phone conversation between Miss K and NatWest's agent where she requested an increase to her cash withdrawal limit. NatWest has confirmed the call took place on 27 October 2023 and has provided the call recording.

During the call, Miss K explained she was going on holiday on 31 October 2023 and was to be paid the same day. But she wouldn't be able to get to a branch before her departure and would need to withdraw £1,000. The agent said Miss K's limit was £300 and initially told her he was unable to increase it. Miss K expressed her unhappiness at this, so the agent placed her on hold to double-check. When the agent spoke with Miss K again, he advised he'd increased her withdrawal limit to £1,500, though she'd need to withdraw this amount over two transactions.

But this information was incorrect and led Miss K to believe she'd be able to withdraw the money she required for her trip abroad. Clearly, then, there has been a failing from NatWest, but my considerations can't stop there – I must also decide whether NatWest's failing caused Miss K to lose out and, if it did, to what extent.

NatWest has said the account already had a block on it when Miss K tried to withdraw money at the airport. It has provided a note from 31 October 2023 which shows it suspected fraud on the account and wished to discuss recent transactions. Unfortunately, NatWest hasn't been able to provide any further information about the reason for this block, or the transactions it had concerns about.

But NatWest has been able to provide some of the call recordings from when Miss K phoned from abroad. Most notably, there is a recording of the call she had with the fraud department in which enhanced security questions were asked. This call took place on 31 October 2023,

after Miss K's flight landed abroad. During the call, a number of security questions were asked but, unfortunately, Miss K didn't correctly answer all of them – including a question about recent chip and pin transactions. Miss K has told our service she believes she was made to fail these questions, but, having listened to the call, I'm not persuaded this was the case.

When asked if she'd made any recent chip and pin transactions, the answers Miss K gave weren't reflected on her statements, so, on the face of it, it seems likely her answer to this question was wrong. Given NatWest already had concerns about recent transactions on Miss K's account, as mentioned in the note above, I don't think it was unfair for the agent to include this question, despite Miss K not having access to her online banking. I also don't think it's unreasonable for a business to expect its customer to remember a recent chip and pin transaction. Further, it would negate the efficacy of a security question intended to block a fraudster's access, if the individual had access to the answer by way of online banking or statements.

The agent told Miss K she had given incorrect answers to some of the questions, but that he wasn't going to fail her for security. Instead, he'd send her an email with a link to an identity verification service through which she could confirm her identity. Because of this, I can't agree the agent lacked compassion or demonstrated an intention for Miss K to fail security.

The agent told Miss K she'd need to complete it and call back. But Miss K was unhappy about the cost of calling from abroad and the conversation became heated before Miss K seemed to terminate the call.

In a recording of a call which took place later that day, an agent can be heard speaking to the internal fraud department, asking if anything could be done to give Miss K access to her account. He explained that the identity verification email had referred her to branch, but she was unable to attend as she was currently abroad. The fraud adviser explained that fraudsters sometimes claim they're abroad in an attempt to avoid having to visit a branch. He stated there was nothing he could do and that Miss K would only be able to get access to her account by visiting a branch.

Where a business is unable to provide information such as the detail surrounding the initial block on the account, or the completed identity verification email – as is the case here – I need to think about what is most likely to have taken place, based on the evidence available to me.

There are separate customer notes, added after the calls mentioned above, which also reference Miss K failing the identity authentication sent to her by email. As mentioned, NatWest hasn't been able to show me what was submitted through this authentication service, but I think it's reasonable to infer, based on Miss K's testimony, along with the notes and contents of the calls I've listened to, that an electronic identity authentication service was provided by NatWest and used by Miss K, and that verification was unsuccessful. NatWest's final response mirrors this. It states a link was provided via email, however, following further checks, it was unable to offer her the service.

So, based on what I've seen so far, and on what I've said above, I'm not currently persuaded that NatWest's failure to increase Miss K's cash withdrawal limit caused her to lose out. Instead, it looks as though the block which it placed on her account led to the issues she faced whilst abroad.

NatWest's fraud prevention system is complex, and its algorithms haven't been shared for good reason. To do so would allow fraudsters to circumnavigate the measures put in place to protect NatWest and its customers. In this case, activity on Miss K's account was flagged,

prompting NatWest to restrict access to the account until its concerns could be allayed. The timing was extremely unfortunate for Miss K, but I can't hold NatWest at fault for this; it took the action which it deemed was necessary at the time it perceived a risk to Miss K's account. And, as I'm currently persuaded that NatWest wasn't able to confirm it was speaking to its genuine customer, I'm not minded to say that NatWest was wrong to impose a block, or that it should have been removed sooner.

I recognise that it must have been a very difficult time for Miss K, and her testimony outlines how the effects of the experience have stayed with her. However, I must be fair to both parties and can only direct a business to pay redress when I'm persuaded it did something wrong which caused its customer to lose out. And, as explained above, whilst I can understand why Miss K is unhappy with NatWest, I'm not minded to say the incorrect information it gave about her withdrawal limit was the cause of the issues she faced. Instead, I'm of the opinion that the issues were as a result of blocks which were, more likely than not, applied fairly. As a result, I currently think the £100 paid to Miss K is fair, and I don't plan on asking NatWest to do anything else in relation to this complaint.'

Both NatWest and Miss K acknowledged receipt of my provisional decision. Miss K implied she had further submissions to make, but has failed to send anything further prior to the deadline expiring. As I believe I have everything I need to fairly decide the case, I've proceeded with my decision, below.

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 done so, I see no reason to depart from my provisional findings. I say this because both parties have had sufficient time to make further representations on this complaint, but neither party have provided additional information for me to consider. As I've seen nothing which persuades me that my finding should be altered, I won't be asking NatWest to do anything else in relation to this complaint.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 9 January 2025.

James Akehurst
Ombudsman