

The complaint

Mr S complains that National Westminster Bank Plc asked him unnecessary questions about an international payment.

What happened

Mr S explains he needed to make a payment urgently to a managing agent of a property he lets out abroad. NatWest asked him to answer questions about the payment. And in his complaint form says that these were “intrusive” and forced him to disclose information about the company abroad that rented the property from him. He says in his complaint form that “*I feel like it was a total abuse of power.*”

NatWest said it hadn’t made a mistake. It said that its payment filtering team was able to ask about the transaction and anything associated with it that gets flagged up in its system. NatWest said that this is to protect its customers and to ensure compliance with laws, regulations and its policies. It regretted any inconvenience caused by the delay and said that this payment went through the same day.

Our investigator didn’t recommend that the complaint be upheld. He said that NatWest had to be satisfied before it released the payment. And that under its terms and conditions had the right to hold a payment while it obtained more information about it. He appreciated Mr S’ feelings about what happened.

Mr S said that this wasn’t a matter of his feelings being protected or even that his privacy and that of his tenant was invaded. He said that this was about him being forced to disclose information that wasn’t required and that he shouldn’t necessarily have known at all. And in his view arose from him using the three-letter company name of that tenant in the payment reference. He said that there is no rational for the questions and he wanted this looked at by someone objectively.

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 need to say that this service isn’t the regulator. So, we don’t have a role in reviewing and setting bank processes generally. And also, that NatWest has a number of responsibilities which include it satisfying itself as set out above that it is complying with all relevant laws and regulations. And ensuring it fulfils its duty of care to its customers. Those are the objective standards and outcomes here.

It’s a matter for NatWest to decide how to do that including the design of systems and what enquiries to make about specific payments. And those are allowed under its terms and conditions and may at times result in payments being delayed.

What I can look at is whether those processes were reasonable and fair when applied for Mr S. And I’m afraid that’s going to be subjective. There’s nothing I’m going to be able to

refer to and so say a particular question was or wasn't appropriate.

I've listened to the call about this payment NatWest had with Mr S. I understand why he thinks that a question about his tenant shouldn't have been asked as it wasn't objectively required. But that question was related to the circumstances of the payment and the payment reference here. So, I don't agree that it was unreasonable for this to be asked. I note that the member of staff he spoke to said that it might be information he didn't have. And that Mr S now wants to know what would have happened if he couldn't provide this. That's a hypothetical situation which I don't need to go into here to decide this complaint.

Relevant to the reasonableness of the enquiries is also how NatWest conducted the call. And I don't find it was other than polite and focussed although I know Mr S said during the call that he was 'fuming.' He's also said he's never been contacted in 30 years in this way and that's a factor in thinking about how onerous this contact was. I don't see that the payment was unreasonably delayed, and it was sent that day.

For all these reasons I don't have a basis to find that NatWest made a mistake or acted unreasonably. I appreciate Mr S will likely continue to disagree with this.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 4 March 2025.

Michael Crewe
Ombudsman