

The complaint

Mr R complains about the service received from NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (“NW”) when setting up and making a payment to his grandson. In particular, he is unhappy that the payment showed as being made and then later disappeared.

What happened

Mr R says that on 5 November 2024 he logged into his online banking and made a payment of £1,000 to his grandson. Mr R says at the time he received a Confirmation of Payee (COP) match and the balance of his account was reduced accordingly.

NW’s audit log of Mr R’s online activity which records that although Mr R logged into his online banking on 5 November 2024 and entered his grandson’s account details and there was a COP – indicating that the account details had matched – there was no entry or record after this point. NW say that while Mr R had set up the payment there wasn’t an instruction for it to process it.

The following day Mr R’s grandson contacted him to say that the funds had not been credited. Mr R checked his account online and saw that all the details of the payment had disappeared and his account balance had returned to the previous amount.

Mr R called NW and asked why they hadn’t completed the payment instruction and was told there may have been a glitch in its system and NW’s adviser offered to complete the payment whilst on the call and NW’s audit trail shows a payment was made of £2,000 at 16:08.

A few moments later Mr R received a text message from NW to say the transaction had been flagged by NW’s fraud team and there may be a 24 to 72-hour delay in processing the payment. But five minutes later NW sent a second message to confirm the payment had now been successful.

On 7 November Mr R again logged into his online banking and NW’s audit log shows he made a further payment of £1,000 to his grandson at 08:52.

Unhappy at how NW had handled these payments Mr R raised a complaint.

NW didn’t agree it had done anything wrong in how the payments were handled but recognised the service it provided fell short of what it usually aims to deliver and so paid compensation of £100 to Mr R as a resolution.

Mr R was dissatisfied with this and so brought the complaint to this service. Mr R doesn’t agree with the interfering or blocking of payments by NW without reasonable suspicion and is adamant that the payment went out of his account on 5 November as he saw his balance reduce. Mr R wants NW to apologise and increase the amount of compensation.

One of our investigator's looked into Mr R's concerns and after considering all the evidence thought it was likely that the initial 5 November payment didn't complete as although there was a COP there wasn't an instruction to NW to process it.

They explained that it's not this services role to interfere with how NW's fraud prevention systems operate and that provided they haven't caused avoidable inconvenience and NW have acted in line with the accounts terms and conditions – as in the case here – they didn't think there had been a failure on NW's part in how it handled Mr R's payment instructions and so didn't think Mr R's complaint should be upheld.

Mr R disagreed, he says his complaint is regarding NW's failure to fully explain its unacceptable interference into his legitimate financial transactions. Mr R wants a further investigation and a visual roll-back to be conducted regarding the online payment to his grandson on 5 November as he believes this will show he confirmed his payment instruction. Mr R has asked for an ombudsman's 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 hope that Mr R won't take it as a discourtesy that I've described and condensed this complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint. Our rules allow me to do that. And the crux of Mr R's complaint is that NW are denying it or its systems interfered with a legitimate payment which he says he confirmed the payment instruction for. He says as a result of NW's actions the payment to his grandson was delayed.

It might be helpful for me to say here that as we are not the regulator, I cannot make NW change its IT systems or processes – such as how payments are set up and processed or when fraud checks are conducted on outgoing payments. These are commercial decisions and not something for me to get involved with. Nor is it my role to punish or penalise NW for the mistakes it makes – that is the role of the regulator in this case the Financial Conduct Authority.

My role rather is to see whether NW have made a mistake or treated Mr R unfairly and if it has decide what NW needs to do to put that right.

In this case there is no dispute that something went wrong when Mr R initially set up a payment of £1,000 to his grandson online. What is in dispute is what went wrong and who is responsible for it.

And having considered all the evidence carefully including Mr R's testimony and NW's audit logs, I'm in agreement with our investigator and don't think there is anything much more of use I can add.

I appreciate Mr R believes that if NW can provide a visual roll-back of the screenshots he saw it will show he confirmed his payment instruction. But unfortunately – and I accept Mr R's frustration and disappointment regarding this - NW aren't able to provide this and so it is not possible to tell exactly what happened and so I can't say that NW made an error here especially when the audit log shows something different, and the audit log and NW's records are showing all the other payments correctly.

I accept that when Mr R phoned NW about the payment, he was told it might be a glitch. But this isn't evidence that the payment was interfered with wrongly by NW or that the payment

didn't go through due to something NW did wrong. All this is an initial statement of a possibility of what might have happened before any investigation was conducted.

And as NW was able to successfully make the payment over the phone for Mr R when he contacted it – following a fraud check which NW are entitled to make - and Mr R was able to make a further payment online, I don't think there is anything more NW needs to do as the payment issue appears to be resolved. And in any case sometimes things don't go smoothly and technical errors occur but that doesn't mean it automatically follows that NW has acted unfairly.

So although I accept Mr R has been inconvenienced, as I can't say the issues Mr R had with making the payments to his grandson were due to a mistake or error on NW's behalf and I think NW has done enough to resolve things for Mr R I will not be asking NW to do anything more.

My final decision

For the reasons I've explained I think what NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY have done to resolve Mr R's complaint is fair and I'm not going to ask it do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 30 July 2025.

Caroline Davies
Ombudsman