

The complaint

Mr A complains that National Westminster Bank Public Limited Company ('NatWest') delayed crediting an international payment to his account.

What happened

In August 2024, Mr A was expecting an international payment to his NatWest account. The payment itself was the second of five payments Mr A expected to receive, to cover costs for a documentary film Mr A was producing. Mr A had secured a sponsorship from a company based abroad to produce the documentary, so he required the funds to produce and edit it, market the documentary and arrange film screenings.

After NatWest received the payment of £3,985 it asked Mr A for some additional information regarding the sender of the funds and purpose of the payment. Mr A answered NatWest's initial queries on 20 August 2024 via a telephone call. NatWest then made further enquiries on 23 August 2024 and Mr A provided the required information on the same day.

Mr A subsequently complained to NatWest because he was unhappy with the amount of time it was taking to release the payment. And he explained the situation was impacting the production of the documentary.

NatWest issued its final response to the complaint and explained that under the terms of the account, it was entitled to ask for additional information regarding payments in or out of an account. And that it could take five working days to process a payment after its international payments team received the information it had asked for.

Mr A referred his complaint to our service. In summary, he said:

- He expected the funds to reach his account by 12 August 2024
- Despite repeated enquiries to NatWest, he had been told to speak to the sender of the funds
- NatWest said it received all the information it needed from Mr A by 23 August 2024 but hadn't released the payment to him within five working days. And it hadn't replied to messages from the other banks involved in the payment transfer when they requested updates
- The delay in receiving the payment affected the post-production tasks of the documentary and events that were scheduled to take place
- Mr A hadn't been able to attend a job interview because he wasn't able to present the documentary film at the interview
- The situation caused Mr A embarrassment, and his professional reputation had been tarnished
- He was unable to pay his monthly bills, including rent, car insurance and credit card payments which had a significant impact on him

- Mr A and his family had been stranded at an airport because he was unable to use his debit or credit card

One of our Investigators looked into things and partially upheld Mr A's complaint. In summary, they said:

- Banks are entitled to block an incoming payment into an account and ask for additional information, in order to comply with their legal and regulatory obligations. But there had been some delays in releasing the payment by NatWest and it could have released it sooner than it did, on 6 September 2024
- NatWest had offered £300 compensation after Mr A brought his complaint to our service, in recognition of the distress, inconvenience and delays it had caused - this was reasonable in the circumstances
- Our evidentiary threshold hadn't been met to show a causal link between being deprived access to the funds and the impact Mr A described regarding the documentary film, its associated activities, and events
- Mr A had provided evidence that one of two screenings for the documentary had been cancelled. And it was unlikely that even if NatWest had released the payment sooner, the funds could have been utilised to finalise the production of the documentary and hold the screening
- Whilst Mr A's scholarship to produce the documentary had unfortunately been cancelled, it wasn't something that could fully be attributed to the delayed payment. And the company that sponsored the documentary explained Mr A could discuss any circumstances should he wish to, when they sent him an email to confirm the scholarship was cancelled on 9 September 2024. But based on the available evidence, it didn't appear Mr A had taken steps to mitigate the impact of the scholarship cancellation
- It was difficult to say Mr A's academic reputation was tarnished due to the delay in NatWest crediting a payment to his account and the overall impact of this. It was fair to say Mr A's relationship with the company that provided the scholarship was affected. But Mr A hadn't demonstrated that he'd made efforts to manage this relationship and mitigate against any losses given he says he was also given substantive funds from friends and family
- Mr A hadn't submitted any evidence to show he wasn't able to attend a job interview due to the delays in the production of the documentary film
- Whilst Mr A didn't have access to the payment for some time, he still had access to the remaining funds in his account. So, NatWest couldn't be held responsible for Mr A's inability to pay his bills or for his family being stranded at an airport. In addition, the funds themselves were for the purpose of producing a documentary film

Mr A disagreed. He felt NatWest's actions didn't adhere to professional banking standards and had detrimentally impacted his project, career, and personal life.

Unhappy with the outcome, Mr A asked for his complaint to be decided by an ombudsman.

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'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however that I've considered everything that Mr A and NatWest have said before reaching my decision.

Having done so, I have decided not to uphold this complaint. I understand this will be disappointing for Mr A, so I'll explain why.

Payment

Banks in the UK are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. This can mean that on occasion, they need to review payments made into an account.

I'm satisfied NatWest was complying with the terms and conditions of the account, and its wider obligations, when it decided to review the payment and ask Mr A for additional information. I would add too, that NatWest is under no obligation to tell Mr A the reason behind the payment review and why it required the information it asked for.

Mr A promptly provided the information NatWest requested and I'm satisfied it received all the information it needed by 23 August 2024. Having looked at the timeline relating to the review, I think NatWest should have released the payment to Mr A by the beginning of September 2024, following receipt of the information it requested and followed up on.

NatWest acknowledges it didn't respond to a message it received from another bank involved in the payment transfer when they requested updates on the payment. In any event, this isn't something I would ask NatWest to compensate Mr A for, nor do I consider it affected the time it took to review the payment.

NatWest has accepted it didn't release the payment as soon as it should have and caused some unnecessary delays, which caused Mr A distress and inconvenience. So, it offered £300 compensation in recognition of this.

In such circumstances, our service would generally also ask NatWest to pay 8% simple interest on the funds, for the time Mr A was unreasonably denied access to them. Having considered what this amount would be due to the delay of around a week NatWest caused in releasing the payment, I consider the amount NatWest has already offered fairly covers the interest amount, in addition to compensation for the distress and inconvenience caused to Mr A over the same period.

Impact

Mr A has explained the delayed payment had significant implications on the production of the documentary film, his career and personal life because he wasn't able to meet important financial commitments. I've no doubt the situation caused Mr A a great deal of worry, for the reasons he says.

From the evidence Mr A had submitted, I don't agree the cancellation of Mr A's scholarship and documentary film was directly caused by NatWest's actions here. I say this because I

consider NatWest should've released the payment to Mr A by the beginning of September 2024. But the screenings of the documentary film were scheduled in August 2024 – during the time NatWest was still reviewing the payment. And I find it was reasonable for NatWest to continue its review in August 2024 given the explanation and supporting evidence it has given to me in confidence.

In addition, the email Mr A has shared which states the scholarship had been cancelled, was sent after NatWest had released the payment to Mr A. So, I find it reasonable that Mr A could've explained the situation to the company that sponsored the documentary film and confirmed he had received the payment for August 2024. I haven't seen any evidence to suggest Mr A did so, despite the email stating Mr A could discuss any circumstances with the production company. I'm not persuaded Mr A has tried to mitigate his losses here as I would have reasonably expected him to, considering how important the documentary film was to him.

I appreciate Mr A says the situation caused him embarrassment and impacted his professional reputation. And I've no doubt that Mr A was put in a difficult situation. But I would also add that Mr A was using his personal account to receive a business-related payment. This goes against the terms of the account which says it shouldn't be used for business purposes. And since the payment was for such purposes, it should be expected that engaging in business activity comes with an element of risk and things will not always go exactly as planned.

I accept that part of the funds Mr A was due to receive might have also been an income for him. But having carefully considered the evidence that has been provided, I haven't seen any compelling evidence to show NatWest's actions prevented Mr A from attending a job interview, meeting his financial commitments or helping his family when he says they were stranded at an airport. I note here too that Mr A says he was able to borrow £6,500 from family and friends. Mr A's other accounts weren't restricted during the time NatWest conducted its review of the payment and he was free to access these funds.

It follows that I won't be asking NatWest to take any further action or pay additional compensation to Mr A.

My final decision

My final decision is National Westminster Bank Public Limited Company must pay Mr A £300, if it hasn't already, within 28 days of acceptance of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 18 August 2025.

Khadijah Nakhuda
Ombudsman