DRN-5651913

The complaint

Mr G complains NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY caused him significant distress and inconvenience and wasted his time due to mishandling his account, communicating poorly and lacking transparency.

What happened

Mr G has an account with NatWest.

Mr G says he contacted NatWest on 22 October 2024 because his mobile banking app wasn't connecting to his mobile's camera. He says he'd already tried to fix the problem – without success – and it was an issue relating to NatWest only. Mr G says he was told to call back as he didn't have his debit card with him. He says he did so later but abandoned his call as he was left waiting too long. He says he subsequently discovered – on 30 December 2024 – that a restriction had been placed on his account. He says he called NatWest straightaway and was transferred multiple times and told he'd be called back but wasn't. He says he called again the following day and after again being transferred multiple times he was able to get the restriction on his account lifted having verified his identity. He complained.

Mr G says he received a call on 13 January 2025 about his complaint which he wasn't able to take as he was at work. He says he called the following day and asked to be contacted by email going forwards. He says NatWest then sent a letter to an address he'd told it not to use despite this meaning he didn't receive this letter and didn't, therefore, know that he'd been asked to go to a branch to verify his identity. Mr G complained about everything that had happened, included the fact that he'd been asked to verify his identity a second time.

NatWest looked into Mr G's complaint points and accepted that he had been caused some distress and inconvenience as he'd received some poor service. NatWest offered Mr G £75 in compensation. Mr G wasn't happy with NatWest's response and so complained to us.

One of our investigators looked into Mr G's complaint and said that they thought the compensation that NatWest had offered and paid was fair and reasonable. So, they didn't recommend that his complaint be upheld.

Mr G was very unhappy with our investigator's recommendations and the fact that they hadn't provided explanations he'd asked for. He asked for his complaint to be referred to an ombudsman for a decision. His complaint was, as a result, passed to me.

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’ve listened to the call that Mr G says he made on 22 October 2024 because his mobile banking app wasn’t connecting to his mobile’s camera. Having done so, I can understand why the agent had concerns and why Mr G’s account was restricted. I can also understand why Mr G is unhappy that the first he knew about this was in December 2024 – when he next tried to use his account – but that’s often how customers find out their accounts have been restricted. Given the nature of some restrictions, that’s often the safest way for customers to become aware of them. I appreciate that Mr G wants a better understanding of why his account was restricted, but we can’t always share processes of businesses for obvious reasons. But I hope it helps Mr G knowing that I’ve listened to the call and can understand why NatWest had concerns and that it acted in the way we’d expect it to.

I can understand why Mr G is unhappy he was asked to verify his identity a second time. I can see at least two reasons why he’d be unhappy. First, he’d already verified his identity, so having to go to branch to do so again didn’t make sense. Secondly, he’d been told he’d been sent a letter asking him to go to branch and it turns out this letter had been sent to an address that Mr G has asked NatWest not to use and an address that NatWest had said it wouldn’t use – but only after he’d been put to trouble. To make matters worse, NatWest blamed postal delays for Mr G not receiving the letter rather than it being sent to the wrong address. I can, however, see that NatWest had fresh concerns as a result of the call it attempted to make to Mr G on 13 January 2025. Based on the evidence that I’ve seen, I can understand why NatWest had those fresh concerns.

In short, whilst I accept NatWest placing restrictions on Mr G’s account and asking him for identification caused distress and inconvenience, I don’t think NatWest acted unfairly doing so. Unfortunately, we see complaints where customers are caused distress and inconvenience as result of restrictions being placed on accounts, but more often than not this is because a business is trying to protect the customer in question. In such cases, it isn’t fair to tell a business to pay compensation as they’ve not acted unfairly or unreasonably.

I accept that Mr G has been caused additional distress and inconvenience on top of what he should have been caused because, for example, he was at times transferred on multiple occasions when calling in. I am, however, satisfied that this additional distress and inconvenience is a small part of the overall distress and inconvenience he's experienced. And I agree with our investigator that the compensation NatWest has already paid – namely £75 – is fair when I consider this additional distress and inconvenience alone.

My final decision

My final decision is that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY doesn't need to do more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 3 October 2025.

Nicolas Atkinson
Ombudsman