

The complaint

Miss S complains about the service provided by NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ('NatWest') when it blocked a payment she wanted to make and froze her account until she went to a branch to complete identification checks.

What happened

On 10 April 2025 Miss S attempted to transfer a five-figure amount from her NatWest account to a savings account she held with another bank. This payment was initially blocked by NatWest for further checks but later released. The next day, Miss S attempted to transfer a further four-figure amount from her NatWest account to the same account held with another bank. NatWest's fraud profiling system flagged the payment for an additional security check. Miss S spoke to a call handler in NatWest's fraud team but wasn't able to complete all the necessary checks. NatWest said she'd need to take photographic ID to a NatWest branch to verify her identity and NatWest blocked her account until she did this.

On 16 April 2025, Miss S completed the necessary ID checks in branch and her online banking access was reinstated. She was able to complete the payment she wanted to make the same day.

When Miss S complained to NatWest about what happened, NatWest upheld Miss S' complaint in part, saying that it hadn't provided a good enough service to her when she'd been kept on hold for too long on the phone. But NatWest said the account restrictions had been applied to her account correctly and its fraud system had worked as intended.

Miss S brought her complaint to us. Our investigator thought that NatWest had acted fairly and reasonably and done enough to put things right in relation to the poor service aspect. Miss S disagreed with our investigator and asked for an ombudsman to review her complaint afresh. So it comes to me to decide.

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 thought about everything, I've independently reached the same overall conclusions as our investigator. I'll explain my reasons.

Miss S' main complaint, as I understand it, is that she found NatWest's fraud team difficult to deal with and she felt she was treated badly and that call handlers '*...purposely made it difficult to transfer money from my account to another account in my name.*' She said that she was on the phone to NatWest for six hours over two days, the situation caused her stress and anxiety and she didn't know what NatWest had done with her funds whilst the transfer was blocked.

I'm sorry for how what happened left Miss S feeling. But NatWest has legal and regulatory obligations which require NatWest to operate processes to help keep customers' money safe. NatWest explained that its fraud system identified the need for a check before Miss S' payments could be authorised. The relevant account terms and conditions, which Miss S would've agreed to in order to be able to use her account, allowed NatWest to refuse her payment instructions in these circumstances.

The first transfer was subsequently authorised, but NatWest still had to apply its verification process to the second payment. So I can't fairly say its automated fraud system shouldn't have highlighted the second payment for further checks. I've listened carefully to the call recordings provided and I can understand why NatWest's fraud operations team had concerns about the transfer Miss S was attempting to make. So I don't think it was unreasonable for NatWest to ask Miss S to attend in person at a branch to enable further checks and verification to take place – particularly as the transfer was a substantial sum of money.

After completing the necessary checks, NatWest allowed the payment to go through and it subsequently completed. So NatWest didn't block the transfer for any longer than was fair and reasonable.

Thinking about all this, I don't find that NatWest made any error or acted unfairly or unreasonably when it blocked the transfer Miss S wanted to make or when it locked her out of her account as these were measures put in place primarily to protect the money in her account. But NatWest acknowledged that it didn't manage phone calls with Miss S as well as it should've done. So I've thought about the question of fair redress.

Our approach to redress is to aim to look at what's fair and reasonable in all the circumstances of a complaint. So my starting point is to think about the impact of NatWest's poor service on Miss S.

Miss S told us that she took a day off work to deal with this matter and she incurred travel costs attending the branch. She said what happened aggravated her anxiety and she'd spent time and incurred additional costs getting a prescription from her doctor. She didn't feel the £100 paid by NatWest adequately reflected the stress, inconvenience and sleepless nights she'd suffered as a result of NatWest's actions.

There's information about how we assess redress on our website: <https://www.financial-ombudsman.org.uk/consumers/expect/compensation-for-distress-or-inconvenience>. We don't usually compensate people specifically for the time they spent dealing their complaint. Our approach is to look at the overall impact of NatWest's admitted service failings on Miss S and my focus is on what's fair to reflect the impact and extent of NatWest's poor service. So I'm not expecting NatWest to compensate Miss R for having to go to the branch for example as that wasn't unfair or unreasonable in these particular circumstances.

The £100 payment NatWest has made by way of apology for distress and inconvenience resulting from poor service during phone calls seems fair to me in all the circumstances. I haven't seen or heard enough to make me think it would be fair to require NatWest to do more here. The payment made already matches the level of award I would make in these circumstances and it's in line with the amount this service would award in similar cases. So I am satisfied it is fair compensation for Miss S in this particular situation.

I appreciate that my decision will be disappointing for Miss S but I hope that setting things out as I've done helps her to understand how I've reached my conclusions.

My final decision

My final decision is that I don't uphold Miss S' complaint as I am satisfied that the compensation NatWest has paid already is fair to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 22 August 2025.

Susan Webb
Ombudsman