

## **The complaint**

A company I'll refer to as P complains that the Royal Bank of Scotland Plc unreasonably restricted their accounts, which meant they couldn't make payments. They'd like to be adequately compensated.

## **What happened**

The background to this complaint is well known to both parties, and largely not in dispute. So, I will cover it only briefly here.

In February 2025 RBS carried out a review into P's accounts, and asked for some further information about the ownership of the business. P supplied this information, but after review RBS decided they needed further information. They requested further information be sent to them, and the account was blocked in April 2025.

After P supplied the required information, RBS requested further information. A staff member of P spoke to RBS and extension to the time limit to supply the information was agreed. But when the original deadline expired in June 2025 P's account was blocked. The block was removed shortly after when the requested information was received.

At various points through this process P complained to NatWest. They said:

- They were unhappy with the service received during the review process, and that their relationship manager wasn't more involved in the process.
- The directors had told RBS they would be travelling extensively, and had asked their daughter be contacted for any issues that may arise.
- Despite this the blocks were applied in April 2025 while they were away travelling, and payments were missed.
- The director's daughter was given an extension to supply additional information in May 2025, but this wasn't honoured.
- They felt RBS had discriminated against them because of the directors' age.

RBS accepted there were service failings, such as not forcing through several Direct Debit payments when the account blocks were removed and incorrectly saying they'd agreed to an extension. They have paid P £582 in compensation and refunded £144 worth of fees and charges.

Our investigator thought this was a reasonable way to resolve the complaint. But P disagreed and as such the complaint has been passed 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.

I've considered both parties submissions carefully. This decision covers a number of complaints made by P, and the issues RBS have issued responses for. But in this decision I will concentrate on what I consider to be the key points for me to consider – as the facts of this complaint are largely not in dispute.

P has also mentioned concerns they were discriminated against by RBS, based on their age. The relevant law around discrimination is the Equality Act 2010. This act reserves the right to decide whether the act has been breached for the courts – and our service is an informal alternative to the courts. So, this isn't a finding I can make for them. Instead, it's my role to decide what I consider to be a fair outcome here, taking into account relevant legislation, regulations, industry guidance and what I consider to have been good practice at the time.

The starting position here is that RBS, like all financial businesses in the UK, have to meet strict legal and regulatory requirements when providing accounts to their customers. These requirements mean they need to know and understand who their customers are, and what they are using the accounts for. And this sometimes means they will need to ask some further questions of their customers and ask for information to be supplied. And if they don't receive the requested information, they may decide to restrict the use of an account until they do. There is provision for this in the terms of P's account with RBS.

Here, I've seen the information requests RBS sent to P – overall I'm satisfied the requests were clear information would be needed, set a reasonable timeframe for response, and explained not receiving the information might lead to the account being restricted. And from the contact notes I can see the information RBS required was around the ownership of P, which wasn't unreasonable.

The initial information P provided was rejected by RBS, as they wanted to clarify the name of the person who certified the documents. I'm satisfied RBS took reasonable steps to contact P and get this information before blocking the account in April 2025. Once this information was supplied the block was removed in a reasonable timeframe.

I'm also satisfied that before the June 2025 block RBS also took reasonable steps to get the required information from P before applying the block. I can see P had contacted RBS to request an extension, which I see was reasonable. RBS have accepted they said they told P they would agree to this request – but this wasn't honoured. I'm satisfied this would have caused a degree of unnecessary disruption to P's business, although the information was promptly supplied and the block removed.

It's unfortunate the information requests were at a time when the directors of P were away, but I don't see that this is the fault of RBS. So, I'm not minded the blocks themselves were unreasonably applied.

But RBS have accepted the service they provided to P wasn't a reasonable standard. There are things RBS could have done better to reduce the impact on P, once the blocks were removed. They've highlighted they could have done more to push through the expected direct debit payments. I can see from the contact notes there was some difficulty adding the director's daughter as a contact point, although this was resolved reasonably quickly. And clearly the incorrect information given about the extension in June 2025 will have disrupted the usual operation of P's business.

I considered P's point that they would have preferred their relationship manager to be more involved in the process. But RBS have a broad commercial discretion on how they operate their business, and it's not the role of our service to direct a business on how to carry out these sort of reviews. So, I can't say it was unreasonable for the relationship manager not to be more involved. Likewise, I have considered the point the directors raised about feeling

discriminated against, but I've seen nothing to suggest their age was a consideration at any point in the review process. Nor have I seen anything to suggest they were treated differently than another business in similar circumstances.

Taking this all into account, and considering everything that happened, I'm satisfied that while there was some avoidable disruption to P's business, this wasn't ongoing for a significant period. And the compensation and refunds RBS have already offered are a more than reasonable reflection of the impact of these difficulties. I appreciate the directors of P may find this disappointing, but I'm not persuaded RBS need to do anything further here.

### **My final decision**

My final decision is that Royal Bank of Scotland Plc do not need to do anything further to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask P to accept or reject my decision before 16 March 2026.

Thom Bennett  
**Ombudsman**