

The complaint

Mr B complains that National Westminster Bank Public Limited Company took too long to release his funds after it closed his account.

What happened

Mr B had an account with NatWest. In 2023, NatWest closed his account. But Mr B says he's had difficulties getting the funds back. Following our involvement, we sent NatWest up to date identity documents and NatWest has now released the funds to Mr B. Mr B wants compensation for the delays.

Our investigator looked at what had happened. She thought NatWest was acting in line with its legal and regulatory obligations. Mr B says he found what happened frustrating – and has asked for a final decision by an ombudsman. The complaint has been referred to me to decide.

What I've decided – and why

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NatWest, like all financial businesses, is subject to legal and regulatory requirements aimed at combatting financial crime. Among other things, it's required to identify the customer and verify the customer's identity. If it cannot complete these checks, it cannot carry out transactions on behalf of the customer.

Here, NatWest said that before it would return the funds in Mr B's account, Mr B needed to complete a funds release form. The form asked for details of Mr B's identity and asked him to enclose a copy of his passport or other photo ID.

I've considered what happened. After NatWest closed the account, in 2023, Mr B contacted NatWest to complain he hadn't received the funds. NatWest told Mr B that it hadn't received the funds release form. Mr B then completed a further form in a branch, who sent this to his address to sign. It appears Mr B didn't receive this form – so he raised a further complaint. NatWest sent Mr B a further copy of the funds release form. Mr B then contacted NatWest to say that he was having difficulties providing his identity documents, and asked if a staff member could visit him at home. NatWest replied to say that he'd need to either use its online service or visit a branch. At that time, NatWest gave Mr B 6 months to refer matters to this service. He didn't contact us until 2025, so I cannot consider this further in this decision. But Mr B subsequently submitted additional funds release forms. They will be the focus of the rest of this decision.

Based on what I've seen, it appears Mr B sent NatWest further funds release forms in January 2024, and May and July 2025. On each of those occasions, NatWest texted him to

say that it required further information. I've thought about what NatWest has said about that. NatWest has told Mr B that the documents he sent were not acceptable, and so it asked him to submit further documents. More recently, it told Mr B that the passport he submitted was out of date and so cannot be accepted. I'm satisfied that full details of NatWest's internal policies and controls are sensitive and cannot be shared with Mr B. But based on what I've seen, I can't say NatWest were unfair to have rejected the document Mr B sent. I'm satisfied they required further documents before they could release the funds.

I accept that what's happened caused inconvenience to Mr B. I have every sympathy for Mr B. I don't doubt he's had a difficult time. But as I've found NatWest were acting fairly in rejecting the documents, and as I'm satisfied with the reasons it did so, this isn't something I'm going to compensate Mr B for.

Following our involvement, Mr B provided a copy of his new, valid passport. NatWest accepted this document, and has now released the funds. I'm not going to tell NatWest to do more.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 21 May 2026.

Rebecca Hardman
Ombudsman