

The complaint

Miss O complains that National Westminster Bank Plc ('NatWest') didn't allow her to transfer money from her current account.

What happened

In late September 2023 Miss O tried to make an international transfer from her NatWest current account. She received a text from NatWest that asked her to confirm it was she making the transfer. Miss O replied to the text and confirmed it was. NatWest then told her to try and make the payment again.

Over the next two days Miss O tried to make the payment on several occasions, but it was blocked by NatWest each time. Miss O was asked by NatWest to contact it by phone, as it said it had concerns that the payment may have been fraudulent. So Miss O called NatWest and was told the block was lifted and she should try again to make the payment.

Miss O also called NatWest in advance to let it know she was going to make the payment and was told there was no guarantee it would go through. Miss O tried to put the payment through while she was speaking to an adviser, but the payment was once again blocked. Miss O then transferred the money to a family member, who made the payment on her behalf. Miss O complained to NatWest about not being able to make the payment and about a member of staff who she said was rude to her.

NatWest issued two final response letters in October 2023. It said a restriction was placed on Miss O's account as a fraud prevention measure, as it said there was an increasing risk of fraud at that time. So it said it hadn't made an error. NatWest acknowledged it misinformed Miss O that all blocks on her account had been removed, said it hadn't intended to cause inconvenience and credited £150 to Miss O's account for the distress caused.

Miss O remained unhappy and so brought the complaint to this Service. She told us that she felt £500 was a more appropriate amount of compensation. She said NatWest didn't send a response to her about her complaint and instead NatWest simply transferred £150 into her account. Miss O also said she had to pay an additional fee of £150 in relation to the international payment.

Our Investigator didn't uphold Miss O's complaint. He thought the £150 already awarded was fair, given the problems encountered with the account being blocked and the customer service provided. Miss O was asked to provide evidence of the £150 additional fee she was charged, but she said it wasn't possible to get evidence of this.

Miss O didn't agree with what our Investigator said, so this came to me for a decision.

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 first of all want to explain that this Service doesn't have the authority to deal with all complaints brought to us. In this case, Miss O is unhappy that NatWest didn't send her a response to her complaint. However, how NatWest handled Miss O's complaint falls under complaint handling, and this isn't an activity regulated by the Financial Conduct Authority. And it's because it's not a regulated activity, that I can't consider Miss O's specific complaint point about NatWest not providing her with a response to her complaint.

I can see how repeatedly trying to make the international payment, and have it fail, must have been a very frustrating experience for Miss O. From what I can see, she did everything that NatWest asked of her when the payment failed to go through and, in spite of this, she had to get a family member to make the payment from their account.

But it's the case that this Service will rarely interfere with reasonable security measures that are put in place by financial institutions to protect both them and their customers. In Miss O's case, her repeated attempts to make an international transfer were flagged and blocked as NatWest was concerned the payment might be fraudulent.

I've seen the account terms and conditions, and these say NatWest can delay or refuse to act on a consumer's instructions if it reasonably suspects the instruction is connected to a scam or fraud. Or if NatWest reasonably considers the instruction is of a type where there is a high risk of there being such a connection. There are other terms that allow NatWest to limit the use of an account if it reasonably believes it needs to protect the account.

So I think NatWest's account terms make it clear that there are times when it will block transactions if it has concerns about the payment. And that's what it did on this occasion. As I said, I am not going to interfere with the security measures it put in place here.

I know that Miss O also tried contacting NatWest in advance of making the payment on one occasion, to see if that might make a difference. But she was clearly told that letting NatWest know in advance would most likely not do anything to prevent its usual fraud prevention mechanisms from flagging the payment. I'm satisfied that this was a reasonable response from NatWest and it has to be allowed to carry out its usual fraud checks, even if a consumer warns it in advance that a payment is going to be made.

NatWest did make an error here, in that Miss O was told several times that the block was lifted when this wasn't the case. And it is for this, and for poor customer service, that she was awarded £150. I know Miss O doesn't think this is a fair amount, but I'm satisfied it fairly reflects the distress and inconvenience of having to make repeated calls because she was provided with the wrong information about the payment still being blocked, and for any poor customer service she received.

I know that Miss O also said she had to pay an additional third party fee when a member of her family was able to make the payment for her. But, even if Miss O could have found evidence of this, I wouldn't have asked NatWest to reimburse the amount. In order to ask it to reimburse, I would have to be satisfied it made an error when it blocked the transaction. And while I recognise that this whole experience was very frustrating for Miss O, I don't think NatWest made an error when it blocked the payment.

I know my decision will disappoint Miss O, but I am not asking NatWest to take any further action here.

My final decision

It's my final decision that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 6 April 2024.

Martina Ryan
Ombudsman