

The complaint

Mr C complains as a director of K, a limited company, that Northern Bank Limited trading as Danske Bank (Danske) unreasonably delayed in unblocking a payment.

What happened

On 28 July 2023 an online payment was made by K. The payment was blocked due to a fraud alert on Danske's system. K was notified and Mr C contacted Danske in order to get the payment unblocked. He was unable to speak immediately to a member of the fraud dept. Danske agreed that a fraud adviser would call back but Mr C was unable to take the call.

This essentially continued, with Mr C being unavailable to take calls from the fraud dept and then when he called back there being no fraud adviser available. On 2 August 2023 the customer adviser took details from Mr C and contacted the global fraud team (who dealt with matters out of hours) and the payment was released on that date.

Mr C complained to Danske who apologised for the inconvenience caused, but didn't think there was any error or poor service on its part.

On referral to the Financial Ombudsman Service, our Investigator ultimately concluded that Danske Bank hadn't acted unfairly when correctly applying its procedures and policies.

Mr C did not agree, and the matter has been passed to me for an Ombudsman's consideration.

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 understand that Mr C has no problem over Danske blocking the original payment. And, as our Investigator has advised, Danske is entitled to do this in accordance with its terms and conditions. But he thinks that Danske delayed in releasing the payment essentially because it didn't have enough members of staff adequately trained to deal with fraud.

The timeline, from information provided by both Danske and Mr C is as follows:

28.7.2023 at 07.12 - payment blocked, text sent.

Mr C called customer service, agreed that fraud dept would call back

12.36 - Fraud dept returned call, no answer, voicemail left and text sent.

13.24 – Mr C returned call, fraud dept not available, agreed a call back.

15.20 - Fraud dept returned call, no answer, voicemail left and text sent.

29.7.23 Mr C sent a text enquiring about the payment.

Customer service replied to text, requesting Mr C to call.

30.7.23 Mr C sent a text advising that the payment is good to go.

31.7.23 11.47 Danske advised that Mr C's message had been passed to the fraud dept.

31.7.23 at 15.10 - Fraud dept phoned Mr C, spoke to his receptionist and left a message requesting that the call be returned.

02.8.23 Mr C phoned Danske, agreed that fraud dept would call back

14.44 - Fraud dept phoned Mr C, no answer, secure mail sent.

02.08.23 - Mr C returned the call outside of working hours (after 5 pm), adviser spoke to Danske's Global Fraud dept and the payment was released.

All banks have specialist fraud departments. And to unblock a payment does require personal contact with the customer in order to assess that it is genuine. From the timeline above it does appear that this was just a case of Mr C and the fraud dept missing each other. I can't speak for how many members of staff Danske employ in its fraud dept but I don't think it reasonable to expect them to always be available immediately upon the customer phoning. So instead it has a procedure whereby the fraud dept agree to return a call rather than leave the customer waiting.

I've noted that after the calls were made and Mr C was not available to receive the return calls on 28 July, although he replied by text he didn't call Danske back until 2 August. I've listened to the recordings of the initial call Mr C made on 28 July and the two calls on 2 August.

I've noted that the payment was released without Mr C actually needing to speak to a member of the fraud department. But, in consideration of the delay Mr C was able to give his answers to security questions to the customer adviser who then spoke to the global fraud department. I understand that this was not a standard process but is considered 'good practice'.

I think that overall Danske didn't act unfairly. It needed to speak to Mr C before the payment could be released and attempted to make call backs as agreed but unfortunately Mr C was not available. I don't think it was responsible for the delay in the payment being released.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask K to accept or reject my decision before 30 May 2024.

Ray Lawley
Ombudsman