

## **The complaint**

Mr C is unhappy with National Westminster Bank Plc's actions following his authorisation of a large payment from his account. He believes the bank has committed a data breach and has dealt with him poorly when discussing the matter.

## **What happened**

The background to his complaint is well-known to both parties and so I'll only summarise key events here.

Mr C was in the process of buying a new car. He knew he would need to make a large payment – just over £22,000 – in order to complete the purchase and so notified NatWest of the upcoming payment.

When Mr C went to make the payment a few days later it was blocked by NatWest. But NatWest contacted Mr C's ex-wife about the payment instead of him. The detail of the payment wasn't discussed with Mr C's ex-wife and she gained no form of access to the account.

Mr C is unhappy because he believes NatWest has shared personal and sensitive information about him. He's said his wife's discovery of the large payment has had an impact on the financial settlement of their divorce.

Mr C complained about this to the bank. It recognised an error had been made and agreed to pay Mr C £300 in compensation. Mr C wasn't happy with that figure or in the way in which the member of staff handled the call. And so he complained further.

A different member of staff reviewed the previous phone calls and agreed with Mr C that they ought to have been handled better. Mr C was offered a further £200 compensation as a result.

Mr C remained dissatisfied with NatWest's overall response to his complaint points and the way he was treated. He feels £10,000 in compensation is warranted and so he brought his complaint to our service.

One of our investigators considered what had happened and found NatWest's resolution to the complaint was fair and reasonable. She acknowledged there had been mistakes but felt the £500 was fair compensation.

Mr C disagreed. He felt it was wrong that we had endorsed NatWest's offer. And so the complaint has been passed to me for a final 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'm reaching the same outcome as our investigator and for broadly the same reasons. I've considered everything we have on file afresh, including Mr C's submissions and statements about what has happened. Having done so, I find NatWest's offer of £500 to be fair and reasonable in the circumstances.

There's no dispute here that things have gone wrong. Mr C and NatWest both broadly agree that there have been errors. And there isn't a dispute over what those errors were, at their core. NatWest shouldn't have contacted Mr C's ex-wife about the blocked payment and complaint calls ought to have been handled better.

I'm satisfied NatWest acted fairly and reasonably in stopping the payment for fraud prevention checks. The payment was clearly an unusual one and represented a potential risk of financial harm through fraud. It's right that NatWest be on alert to protect customers.

My position here is unchanged by Mr C's notifying the bank of his intention to make the payment. The risk of loss to fraud and scams is greatest at the point payment is being made. And it's at the point a payment instruction is received that I'd normally expect a bank to act, as it did here.

Even when pre-advised of a transaction, there are still scam risks. The possibilities are too numerous to mention. But, as an example, a fraudster might intercept communications between a buyer and a seller and replace payment account details, leading to the customer sending money to the wrong place and losing it. Fraud checks like the one NatWest carried out are intended to avoid such scams. Whilst they might represent an inconvenience when a payment is entirely genuine and all parties are legitimate, it's a fair and reasonable precaution for a bank to take.

I can't say for certain why Mr C's ex-wife was contacted about the blocked payment. There's been some suggestion that her number may have been connected to an old business account. But the evidence to confirm or deny that isn't available. What I do know is that she was contacted, with no detail about Mr C's account or the payment being discussed. So whilst there was no doubt an error, I can't see that there has been a significant disclosure of personal information here, and the £300 compensation offered is fair and reasonable. Should Mr C wish to have a data breach further investigated he might consider contacting the Information Commissioner's Office.

Mr C has questioned what might have happened had a scammer been called or texted by NatWest. There's not really much need for me to comment on this as it clearly didn't happen. It seems likely there was some link to Mr C's ex-wife's number that ought to have been terminated, rather than her being contacted at random. In any case, without being able to pass security it's clear no one would have been able to gain access to or transact on Mr C's account.

I have considered what Mr C has said about the impact on the financial settlement of his divorce. He's said his ex-wife has become more unwilling than she had been to return an overpayment made as part of that settlement. I don't necessarily doubt what Mr C has said here, but I can't say this is something NatWest ought to bear responsibility for. It seems there was some pre-existing dispute about the financial settlement and it's impossible to say how much, if any, impact NatWest's mistake may have had on that dispute. And it seems there are other more appropriate channels for any dispute Mr C has about the financial settlement to be addressed.

I know Mr C is very disappointed with how calls with NatWest were handled. Again, there's no dispute here that things could have gone better. NatWest has already acknowledged that and offered compensation.

Mr C has said it's inappropriate for the first member of staff to have been investigated by their own supervisor, within the same department. It's not for this service to instruct a business on how it ought to handle complaints about staff. That's for each individual business to decide. I am satisfied NatWest took Mr C's complaint seriously and did what it could to resolve matters. Furthermore, I believe the resolution it put forward is fair and reasonable in all the circumstances of the complaint.

When this service awards compensation it isn't done to punish or reprimand a business. And awards we make tend to be modest. I can appreciate Mr C was very frustrated by what had happened and wasn't getting clear answers from NatWest. That would understandably have only made the situation worse. But given all the circumstances of the complaint I believe the additional £200 offered by NatWest is fair and reasonable. I'm conscious here that there has been no identifiable financial loss and that all matters were addressed in a reasonable timeframe by NatWest. Mr C can find more detail about our range of awards for distress and inconvenience on our website.

It's also the case that we won't make an award greater than an existing offer by a business solely on the basis a complaint has been referred to us. It's right that a business has an opportunity to resolve a complaint, and it's in its interests to do so. Naturally, some of the complaints we receive will then be ones where there have been identifiable errors but where the business has acted fairly and reasonably in putting things right, as is the case here.

I'm not making any further award in Mr C's favour and leave it for him to indicate whether he now wishes to accept NatWest's offer of £500 total compensation.

### **My final decision**

I don't uphold this complaint against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 23 April 2024.

Ben Murray  
**Ombudsman**