Ombudsman Decision
CIFO Reference Number: 25-000420
Complainant: Ms G
Respondent: RBSI TA NatWest International (Jsy)

Complaint

Ms G's complaint about RBSI TA NatWest International (Jsy) relates to the recent closure of her account, particularly that she didn't receive appropriate notice of this decision and the subsequent delay in transferring her funds to a new account. She's also raised concerns about the service she received after her virtual card stopped working.

Background

NatWest sent a letter on 18 March 2025 informing Ms G of its decision to close her account on 21 June. Unfortunately she didn't receive this as she weren't living at the address it was sent to at that time. Once the bank realised this, the letter was resent by email on 26 June. Ms G didn't receive this email immediately as it went to her spam folder and the correspondence provided shows she became aware of it when she received NatWest's email of 4 July about her card complaint.

A short extension to the closure was initially agreed but Ms G wasn't able to make the necessary arrangements in this timeframe. The timeframe was ultimately extended until the account was finally closed on 13 August.

[1] Financial Services Ombudsman (Jersey) Law 2014 Article 16(11) and Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014 Section 16(10)

There then followed a substantial delay before Ms G's funds were transferred to a new account. NatWest has confirmed it sent these funds on 12 February.

I also understand Ms G made a fraud claim that meant her card was cancelled at the end of May 2025. And that it then took until 4 July to receive a new physical card, with access to a virtual card not being restored before the account was closed.

After reviewing the evidence carefully, I concluded the complaint should be upheld. I set out my reasoning and views on what NatWest should do to put things right as follows:

> *Account closure*
>
> *NatWest's decision to close your account was a commercial judgement it was entitled to make and I'm not looking to question that. This notwithstanding, the bank should have provided reasonable notice, thereby allowing you time to make alternative arrangements.*
>
> *NatWest's letter of 18 March gave three months' notice of closure and I'm satisfied this was an appropriate timeframe. My concern is that this was only communicated by letter and you didn't receive that because it appears your address hadn't been updated in the bank's records. I take the view that important correspondence of this nature should be sent using more than one method of communication. If NatWest had also sent the letter by email on 18 March, any issues arising from it not having the correct postal address would have been avoided. You would presumably have received the letter and been able to make necessary arrangements to transfer your funds much sooner.*
>
> *I'm also aware of the issues you've raised in relation to the subsequent delay in transferring your funds.*
>
> *Card*

I can also see that you encountered a number of issues while trying to obtain a replacement card and restore access to a virtual card. In particular, NatWest has acknowledged that it should have confirmed your address before the first attempt to send a replacement. I'm also conscious that one of the bank's telephone agents acted unprofessionally by appearing to laugh when you asked for a face to face meeting and then failed to arrange a callback or branch visit.

In conclusion

I believe there were shortcomings in the service you received from NatWest in respect of both aspects of your complaint and I'm upholding it for these reasons.

Putting things right

When making an award of compensation, my principal aim is to (as far as possible) return the consumer to the position they'd now be in but for the inappropriate actions of the financial services provider.

As confirmed by the statements provided, I understand the closing balance of your account was around £60,000. You were unable to access this money for a period of six months, between 13 August (the closure date) and 12 February (the date funds were transferred away from NatWest).

It can be very difficult to quantify someone's loss precisely in cases such as this and, where that isn't possible, our normal approach where the customer is denied access to their funds due to the actions of their bank is to award compensatory interest at 8% per year simple. In your case 8% per year on £60,000 over a period of six months is £2,400.

But, on balance, I don't think it would be fair to expect NatWest to pay that amount in this case. I say this because I don't believe the bank is entirely to blame for the delay in transferring your funds after you belatedly became aware of the decision to close your account.

There has been extensive correspondence since July/August, during which time NatWest set out its procedures and requirements before your money could be transferred away. I'm satisfied it was reasonable and appropriate for the bank to have such security procedures in place and I don't think any of its requirements or the information it requested from you were unreasonable.

Unfortunately, you didn't feel able or weren't willing to comply with all of these requirements. In particular, you weren't happy NatWest insisted on sending your funds to a single account. You also weren't happy to provide statements in the one of the requested formats. I understand you didn't feel entirely comfortable with what was being asked of you. But I do find that if you'd agreed for funds to be transferred to a single account and provided statements in one of the requested formats straight away, the transfer of funds would have been completed much sooner. In the circumstances, given my view that the bank's requests were reasonable, I don't think it's fair to hold NatWest wholly responsible for the delay.

As the actions of both parties contributed to the delay in transferring your funds, I think a fair outcome here is for NatWest to pay contributory interest of £1,200. This equates to 50% of the amount stated above.

In addition, I think the shortcomings identified, including service failings in relation to your card, have caused you some unnecessary distress and inconvenience and that you should be compensated for this. The amount to award for a consumer's distress and inconvenience can be difficult to assess as the same situation can impact different people in different ways. I've thought about this issue carefully and I believe increasing the overall compensation to £1,500 is fair and reasonable and in line with the kind of awards we typically make in this type of complaint.

All of this means that I'm proposing NatWest pay you total compensation of £1,500 to settle your complaint. I consider this to be a fair and reasonable outcome.

NatWest agreed to pay compensation in line with my recommendation. Ms G didn't. In summary, she made the following key points:

- She doesn't accept she's equally responsible for the delay in transferring her money after the account was closed. She's provided a detailed chronology that she says shows the bank is liable for 80% of the delay and believes compensation should be calculated on that basis.

- She provided much of the documentation requested in branch in September 2025. The issues that subsequently arose concerned the timing, format and handling of additional verification requests rather than any unwillingness on her part to cooperate. But she had concerns about the security of digital submission of sensitive personal documents.

- On the issue of whether the funds would be transferred to a single or multiple accounts, she says the initial reclaim form completed in September nominated only one account. She also says later discussion about using multiple accounts was only exploratory and that the delays were the result of verification and internal processing steps rather than any outstanding account nomination.

- She believes the compensation for her distress and inconvenience should be increased to £1,000 and has provided a summary of the ways in which this situation has impacted her.

My Findings

I've carefully considered all the available evidence and arguments to decide what is, in my opinion, fair and reasonable in the individual circumstances of this complaint. In considering what's fair and reasonable, I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

In setting out my decision, I haven't necessarily mentioned or addressed every point raised by the parties. Instead, I've concentrated on the key issues that I think are central to the outcome of the complaint. This is in keeping with our established purpose to act as an informal alternative to the courts.

Where necessary or appropriate, I've reached my conclusions on the balance of probabilities; that is, what I consider is most likely to have happened, in light of the available evidence and the wider surrounding circumstances.

There's no dispute that NatWest should have informed Ms G about the account closure using more than one method of communication, and that if it had contacted her by email as well she would have been in a position to make alternative arrangements sooner.

The account was closed on 13 August and the balance was transferred on 12 February, so Ms G was without access to her funds for six months. I've read the chronology she's provided but I do think her conclusion that NatWest is responsible for 80% of the delay is an overestimate. Since this complaint was allocated to me for investigation in November, a considerable part of the delay arose because Ms G wasn't willing to provide the information NatWest requested in the correct format, particularly unredacted bank statements online or redacted statements by post. If she'd been willing to follow the bank's requirements straight away, the transfer would likely have been resolved much sooner. I don't think it's practical to make a wholly accurate assessment of who was responsible for the delay on a day by day basis and I'm satisfied that compensation equal to 50% of what the bank would typically be required to pay if it had been entirely responsible is reasonable.

In reaching this conclusion, I'm also conscious that Ms G became aware her account was going to be closed on 4 July. This means she still had several weeks to make alternative banking arrangements and transfer the money away from NatWest before the account was closed on 13 August. Statements show she did make multiple transfers during this period, reducing her account balance from over £120,000 to £60,000. If she'd made alternative arrangements for the rest of her money during this time, the consequences of the subsequent delay would have been avoided altogether.

On the issue of nominated accounts to receive her money, Ms G previously told me that while she was originally happy to nominate a single account that no longer worked for her. She then decided it was appropriate to use a single account after all to avoid further delay. But even if I were to accept that this issue didn't contribute to the overall delay at all, it doesn't alter my view on what constitutes fair compensation.

It's clear this issue has caused Ms G a degree of distress and inconvenience and I believe she should be compensated for NatWest's part in that. The amount to award for a customer's distress and inconvenience can be difficult to assess as the same situation can impact different people in different ways. But it's important to recognise that we don't typically award compensation directly for the costs involved in pursuing a complaint, including time spent on the telephone or writing emails for example. I have considered the circumstances of this case very carefully and it remains my view that total compensation of approximately £300 (thereby increasing the total compensation to £1,500) is fair and reasonable for all aspects of her complaint and is in line with the types of award we tend to make.

Finally, I note Ms G has concerns about NatWest's response to her subject access request. But as I've explained previously, this issue would be more appropriately referred to the Jersey Office of the Information Commissioner. Consequently, I haven't taken any alleged failing in this regard into account in reaching a view on how the complaint should be resolved.

It's for these reasons that I'm upholding this complaint. I appreciate Ms G may not be entirely satisfied with the proposed compensation amount, but I'm satisfied the outcome is fair and reasonable in the circumstances.

My Final Decision

My final decision is that I uphold this complaint. Subject to Ms G's acceptance, RBSI TA NatWest International (Jsy) should now pay her compensation of £1,500.

Jim Biles
Ombudsman

Date: 19 March 2026