<u>Ombudsman Decision</u>
<u>CIFO Reference Number: 25-000506</u>
<u>Complainant: Mr and Mrs W</u>
<u>Respondent: RBSI trading as NatWest International (Jsy)</u>

Complaint

Mr and Mrs W complain about the manner in which NatWest handled their bank accounts. They highlight that:

- The minimum qualifying balance required for their International Select Account was changed;
- Charges were applied to their International Select Account
- Their saved payees on their online banking were lost when one of their accounts was closed.

Background

Mr and Mrs W held three accounts with NatWest, an International Select Account and two Premium Saver accounts, also known as Advantage Reserve accounts.

As I understand it, the qualifying criteria for the International Select account changed and the minimum balance required to qualify for such an account was increased. Because the, then, funds within the account did not meet the minimum balance criteria, charges were applied. Mr and Mrs W closed that account in February 2025.

In August 2025 Mr and Mrs W closed one of their Premium Saver accounts and on 30 September they noticed that their online banking 'saved payees' had been lost. They then complained about this to NatWest.

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

NatWest said that upon closure of the Premium Saver account, the online banking provision for that account was removed and debit cards for that account were cancelled. Due to a historical error in the way the online banking had been set up, the saved payees were lost across both jurisdictions in which Mr and Mrs W held accounts. This meant that the payee details were 'lost' from the account that remained open. NatWest recognised this error and the inconvenience that would have been caused, and paid Mr and Mrs £300.

Mr and Mrs W remained unhappy and complained to CIFO.

An adjudicator at CIFO considered the complaint. The adjudicator said that NatWest's change of criteria for the International Select Account and the subsequent application of charges were commercial decisions which NatWest had discretion to make.

As regards the loss of the saved payee details, the adjudicator noted that Mr and Mrs W had the relevant account payee details and that NatWest had assisted them in setting up online banking for their remaining Jersey account. So that enabled Mr and Mrs W to set up the payees again, online. Given the circumstances she thought the compensation paid of £300 was reasonable to recognise the inconvenience caused.

Mr and Mrs W remained unhappy and requested a further review. In summary Mr W said:

- There had been multiple times when they have been unable to access online banking over five years, and the current issue had not been resolved in four months.

- The remaining account had been unnecessarily blocked on occasions due to automatic applications of suspected internal fraud regulations, but they believe the reason for that is the closure of an account.

- NatWest deliberately resisted resolving the issue, advising they could have reinstated the payees on the mobile app. However, they had never set up payees on the app,. and as it was NatWest who had removed the payees, they should not be put to the trouble of doing this.

- NatWest were aware that they had travelled for an annual visit to their home in South Africa - but sent cards to the other address and made no effort to communicate with them in South Africa or to arrange or discuss an alternative to furnish that card and card reader to them in South Africa. The inability to access the one remaining account with long established practices of fund transfers to payees is what had been denied since their arrival in South Africa. The details of those long established transfers were removed due to NatWest's error, and the right to move their funds was unavailable to them.

I note that Mr and Mrs W confirmed more recently that they have access to their Premium Saver account and have been able to make a transfer. They say it is their intention to make further transfers to reduce the balance to zero.

Findings

I have considered all the available evidence and arguments to decide what is, in my opinion, fair and reasonable in the individual circumstances of this complaint. Where necessary or appropriate, I reach my conclusions on the balance of probabilities; that is, what I consider is most likely to have happened, in light of the evidence that is available and the wider surrounding circumstances.

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.

NatWest's change of criteria and application of charges to the International Select Account

I recognise that a bank altering the criteria for an account during its lifetime can be frustrating and cause issues with holders maintaining such an account. However, a bank does have reasonable discretion in making such changes – these would fall within its exercise of its commercial judgement.

The changes that were made would in my view fall within the scope of a reasonable exercise of the banks commercial judgment. In such circumstances I would not interfere with that, say, by ordering it maintain the account on the same terms as previously applied.

Bearing that in mind, it would be for the account holder to decide to accept that change in terms or decide to use another account provider. Be that as it may, because I believe it a reasonable exercise of a banks commercial judgment I will not uphold these points of complaint or make any award.

Loss of payee details and payment difficulties

Mr and Mrs W said that they received no warning that their list of payees would be deleted. They said that they had between 10 and 20 saved payees - who were mainly friends and family, but also included two stockbrokers .

They had a record of payee details, but were unable to add them back to the account as they had no facility to do so from South Africa. NatWest had also cancelled their debit cards. So, many payments were interrupted or prevented as, at the end of any year, they would use the NatWest account to make gifts to family, or for the sale and purchase of shares.

Mr and Mrs W explained that they live in France, but Mr W left for South Africa in September 2025 where he spends several months each year. Therefore, whilst they had the account details of their payees, they had no ability to move their funds and NatWest did not offer the ability to register an address and telephone number for both France and South Africa.

NatWest told CIFO that, due to an historical error, Mr and Mrs W's online banking credentials had been linked to just one jurisdiction, notwithstanding they had accounts in multiple jurisdictions and there should have been separate 'log-ins' for each.

That meant that when the Premium Saver account was closed, all the saved payee details were 'lost'. NatWest said they had been unable to recover the payee details or to add them back, as this had to be done by the account holder - through the self-serve online portal for the remaining account. NatWest remedied that when Mr and Mrs Watson contacted NatWest to complain about the loss of the payees - an employee assisted Mr W in setting up online banking for the remaining account.

I have also noted that NatWest offered to accept email instructions for a transfer from Mr W, which could be verified with a call to Mrs W in France - using one of the numbers held on their records.

When Mr and Mrs W closed their Premium Saver account it was reasonable to expect that the online banking facility would be cancelled for that account and the debit cards would be cancelled. The loss of the saved payees was an unfortunate consequence of an error in the setting up of the online banking by NatWest. However, proximate to the time that the loss was noticed by Mr and Mrs W and their complaint was made, NatWest assisted Mr W in setting up online banking for their remaining account, which would have then enabled him to add the saved payees.

CIFO asked NatWest whether Mr W would have been able to access online banking from South Africa and it confirmed that he could and that its systems showed he had successfully logged in on 1 October 2025 and made online payments on 8 and 9 October.

As regards only being able to register one address and telephone number with NatWest, the bank confirmed this was the case but this did not prevent Mr and Mrs W from accessing their funds via online banking, or by taking up the offer of emailing instructions with a verification call to Mrs W in France.

I think it is clear that NatWest's error caused Mr and Mrs W inconvenience. But when considering what is necessary to put things right, which includes payments for inconvenience, I also consider factors such as how quickly that matter was addressed and what was necessary to remedy the issue. The evidence suggests that NatWest did assist Mr and Mrs W to put matters right within a reasonable timescale. I note Mr W's comments in respect of why he should not have been required to assist in rectifying the issue but mistakes do occur and there is a reasonable expectation that a customer will take reasonable steps to help rectifying the issues.

In all the circumstances I think that NatWest did act reasonably in putting Mr and Mrs W back in a position where they could make the payments they wished to. Therefore I agree with the adjudicator that the £300 paid by NatWest is a fair and reasonable sum to compensate Mr and Mrs W for the inconvenience caused.

Other matters

I have noted that Mr W has referred to some issues with payments or transfers from his account with NatWest that he says have been caused by its fraud prevention process. This is notwithstanding that he says that a transfer has been possible more recently.

Be that as it may, this was not part of the complaint I have considered about NatWest and I make no finding as to that issue. If Mr W wishes to raise a separate complaint about these matters then he should contact NatWest.

Final Decision

My final decision is I do not uphold this complaint.

David Bird
Ombudsman
15 May 2026