

The complaint

A charity, which I'll refer to as R, complains that National Westminster Bank Plc unreasonably delayed opening a bank account.

Mr C, who is a trustee of R, complains on its behalf.

What happened

NatWest told us:

- R initially applied to open a bank account in January 2021.
- Mr C complained about the delays in opening the account. In mid May 2021, he accepted £250 in compensation for the delays up to that point.
- Mr C contacted it several times in late May and early June 2021 to chase progress, but the application was not progressed until mid June. Once it started to progress the application, Mr C responded very promptly (within a day) to both of its requests for further information.
- The account was opened in late June 2021.

Mr C told us:

- For six months, he had to call an average of twice a week to follow up on the account opening. That caused significant mental stress.
- When he accepted the £250 compensation in May 2021, he did so on the basis NatWest would expedite the account opening process. He cancelled an appointment with another bank in the belief that R's NatWest account would be open very soon, but that did not happen.
- R's website launched in late May 2021 (after the £250 compensation had been agreed). He had hoped the bank account would be ready by then, but it was not – causing embarrassment to him, reputational damage to R, and an unquantifiable loss in donations.

One of our investigators looked at this complaint, and recommended that NatWest increase its offer of compensation by £100 (to a total of £350). NatWest accepted his findings, but Mr C did not. He asked for the matter to be referred to an ombudsman.

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.

It's clear that NatWest made mistakes here. Mr C was keen to open the account as soon as

possible, and I can see that he responded very quickly to NatWest's information requests. I'm satisfied that the delays were entirely a result of NatWest's inaction, and they were not a result of any error by Mr C or by R.

Mr C accepts that if the account had been opened shortly after his telephone conversation with NatWest in mid May 2021, then £250 would have been appropriate compensation. But it took several more weeks (well over a month) for the account to finally be opened. Everyone agrees that that means NatWest should pay additional compensation, but they don't agree about what that amount should be.

Putting things right

Mr C explained that R's website launch event was attended by over a hundred people. It is very difficult for me to say whether R missed out on any donations as a result of not having a bank account at that point. Whilst it is likely that some of the attendees would have prepared to donate to R, I can't say whether the charity's lack of a bank account meant that those donations were entirely missed or merely delayed.

Overall, I am not satisfied that I have sufficient evidence to say that NatWest's errors caused the charity to suffer a financial loss – and so I make no award for missed donations.

I consider that NatWest's offer of £250 was fair at the time it was made. However, I can see that Mr C chased NatWest several times after he accepted that offer. I think his chasers were necessary, because it is not clear when NatWest would have finally opened the bank account if Mr C had not been diligent in following the matter up.

I acknowledge that Mr C strongly disagrees, but I think a further payment of £100 is fair in respect of the additional inconvenience R suffered after the £250 compensation was agreed.

My final decision

My final decision is that National Westminster Bank Plc should pay R an additional £100, taking the total compensation to £350.

Under the rules of the Financial Ombudsman Service, I'm required to ask L to accept or reject my decision before 14 July 2022.

Laura Colman
Ombudsman