

The complaint

Mr M complains that National Westminster Bank Plc (NatWest) failed to complete a bank transfer on time.

What happened

In May 2021, Mr M visited a NatWest branch to arrange a large bank transfer, which he says was being sent to his solicitor to complete the purchase of a house. Mr M says the bank guaranteed the transfer would complete on time but failed to do so, leading to the house purchase being pushed back to a later date. Mr M says he suffered a financial loss because of this as he had to pay costs of £1,000 to the selling third party. He also says he had to visit the bank several times in one day to chase the progress of the transfer and adds that he was misadvised by staff at the branch. Mr M says the situation was stressful as he later had to negotiate the costs he owed to the third party.

After Mr M complained to NatWest, the bank explained that the transfer was carried out via CHAPS, and Mr M's initial visit to the branch was past the cut-off time for same day payment. NatWest confirmed the transfer was completed the following day and said it had processed it correctly. The bank accepted that some of the advice Mr M received from branch staff wasn't entirely accurate and may have given him false hope about when the transfer would complete. So NatWest paid Mr M £100 for the distress and inconvenience it caused him and refunded him the £23 CHAPS fee it charged.

Remaining unhappy, Mr M asked this service to review the matter and said he wants the bank to pay him £1,800 compensation. To resolve this complaint sooner, NatWest offered Mr M a further £100 compensation – which he declined. One of our investigators concluded that the bank had followed its process correctly. The investigator agreed that Mr M was given misleading expectations by branch staff and decided that the compensation NatWest had already offered was a fair way to resolve the complaint.

Mr M didn't agree – he says he was given the impression the transfer would complete by a certain time, so he proceeded with completing the house purchase. Our investigator commented that the time the transfer would complete was not guaranteed. Because Mr M didn't agree, the complaint has been passed to me for a final review.

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.

Having done so, I share the investigator's opinion that NatWest has put forward a fair resolution to this complaint – I'll explain why.

The information I've seen indicates Mr M visited the NatWest branch on 20 May 2021 after 3.00pm. The bank says that by this point, the cut-off time for a same day CHAPS payment had already passed. I've looked at NatWest's information about its CHAPS process and I can see it says the cut-off time for a same day payment is 2.59pm. Mr M says he was

advised by the manager at the branch that the transfer would complete the next day. And the file sent to us by NatWest includes a confirmation from the branch manager that he provided this information to Mr M. So I don't think NatWest acted unfairly by not processing the transfer the same day, given the cut-off time to do so had already passed.

Mr M says he had to visit the branch several times the next day to follow up on the status of the transfer and the recollection from the branch manager confirms this was the case. Mr M is unhappy that he had to spend so much time following up this issue.

The branch manager says Mr M visited the bank on the morning of the following day (21 May) and was advised that it's anticipated the transfer would complete by midday, but the manager couldn't specify a time. The branch manager adds that Mr M came in again in the afternoon and was advised that, in line with NatWest's terms, it could take up until 7.00pm for the transfer to complete. I've seen a copy of an email sent to Mr M by the branch manager that reiterates this information and assures Mr M that the transfer would process on that day.

I understand why Mr M felt the need to continue following up on the status of the payment, given it was a large sum and he intended to use it for the purchase of a house. But I don't think that the multiple visits he made to the NatWest branch were because of something the bank did wrong. When Mr M initiated the CHAPS payment, I can't see anything that suggests a specific time for when the transfer would complete was agreed. And although the branch manager suggested the transfer may complete by midday on 21 May, there's nothing I've seen that indicates this was guaranteed. The only assurance I can see that was given to Mr M was in the branch manager's email to him – in that he confirms the transfer would complete on 21 May. So I can't conclude that the bank did something wrong here.

However, I do note NatWest's own admission that the advice Mr M was given in branch could've raised his expectations about when the payment would complete. And although I still think assurances weren't made, I can see how this would've led to Mr M believing the transfer would complete sooner. As Mr M says, the situation caused him stress and he had to visit the branch several times. I think the level of stress and inconvenience Mr M experienced could've been lessened, had the advice given to him been clearer. So I think NatWest needs to do something to put this right.

Mr M's view is that he was forced to push his house purchase to a later date and had to pay the third party's losses because NatWest didn't complete the transfer sooner. But I don't agree. I say this because it seems to me that NatWest processed the transfer as soon as it could and within the next day from when Mr M initiated it in branch. It's unfortunate that the transfer didn't complete until around 4.00pm on 21 May. But NatWest's terms set out that a completion time isn't guaranteed and, given the transfer was for a significant sum, I can understand why it may have taken longer than usual to process.

Mr M provided a copy of an email he sent to his solicitor on 21 May requesting that the purchase of the house goes ahead that day. I can see it was sent in the early hours of that morning. But this was before Mr M followed up the status of the transfer and before he'd received confirmation that the transfer had completed. So I can't fairly conclude that NatWest's actions were what caused the delay with Mr M's house purchase and the losses he had to reimburse the third party for.

In summary, I'm satisfied NatWest acted in line with its own policies and processes when carrying out Mr M's transfer via CHAPS. Unfortunately, Mr M had missed the cut-off for same day payment and from everything I've seen, I'm of the view that the bank did everything it could to complete the transfer within a reasonable timeframe. And although NatWest could've been clearer in the advice it gave Mr M, I don't think it treated him unfairly.

Putting things right

NatWest already accepts that the advice given to Mr M around the time wasn't always clear and may have given him false hope around when the transfer would complete. The bank has already paid Mr M £100 compensation for the distress and inconvenience it caused him, as well as refund the CHAPS fee of £23.

NatWest has since offered a further £100 compensation to Mr M to make up for the distress and inconvenience it caused him. I think this is a fair way to settle this complaint – so I won't be instructing the bank to do anything more.

My final decision

For the reasons set out above, I think National Westminster Bank Plc has already put forward a fair settlement for this complaint. If Mr M accepts, National Westminster Bank Plc should pay him the additional £100 compensation it has offered.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 21 March 2022.

Abdul Ali
Ombudsman