

The complaint

Miss M complains about how The Royal Bank of Scotland Plc (RBS) dealt with her request for help with her loan repayments.

What happened

Miss M says she asked RBS to reduce her loan repayments as her income reduced due to maternity leave. She says she was given conflicting information and was told she would need to go into arrears before any help could be given. Miss M says she didn't receive a promised call back and was then told maternity leave was not classed as an unexpected drop in income but an event that could be planned for. She says RBS's actions have caused her stress and would like compensation for what took place.

RBS accepts it made mistake and gave Miss M incorrect advice as well as incorrect information. It has apologised for part of the complaint and has paid £135 compensation. RBS says it will pay a further £75 compensation but says it can't help Miss M further with reducing her loan repayments.

Miss M brought her complaint to us and our investigator thought the total compensation offer appropriate. The investigator thought RBS acted fairly by telling Miss M that she had a time period to prepare for the reduced salary.

Miss M doesn't accept that view and says the compensation offer isn't appropriate and questions why she can't receive help in these circumstances.

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 have come to the overall view that RBS has made an appropriate compensation offer of a further £75. I appreciate Miss M will be disappointed by my decision and accept that her financial position may have changed due to the passage of time since her original complaint.

I make clear to Miss M that we are not RBS's regulator and so it's not our role to tell it what its policy should be for these sorts of circumstances. But a bank or building society should treat customers positively and sympathetically when they are in financial difficulties. I can see that RBS has fairly provided Miss M with details of organisations that could help her.

I accept that Miss M asked RBS for help in advance of the pending drop in her income and I appreciate her concern to be told that RBS couldn't help her until her account was in arrears. I have no doubt Miss M wanted to avoid that and that was the reason she called RBS. I also accept that Miss M didn't receive a promised call back from RBS and was given conflicting information.

The key issue for me to consider is the level of compensation. I don't think Miss M suffered

any financial loss, but I accept she was caused distress and inconvenience at what I accept was a time when she would have wanted to concentrate on other matters. I'm satisfied that RBS has fairly paid compensation and the further offer of £75 is fair and reasonable when combined with that amount. I find that award is line with the types of awards we would make for this type of mistake and fairly reflects the impact it had on Miss M.

Putting things right

RBS should pay a further £75 compensation as it has agreed to do.

My final decision

My final decision is that The Royal Bank of Scotland has made a fair and reasonable compensation offer of a further £75. Miss M's acceptance of that offer would be in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 16 June 2022.

David Singh
Ombudsman