

## The complaint

Mr S complains that OakNorth Bank plc ('OakNorth') wrongly opened multiple accounts in his name and showed an account as empty despite his making several deposits to it.

## What happened

Mr S attempted to open a single 90 Day Notice account with OakNorth on 16 August 2020 through an online application. OakNorth says that Mr S made two applications on the same day, and that two accounts were therefore automatically set up by its system. Mr S says that the system would not, and ought not to, have allowed this, as the screen changed upon his clicking 'submit'.

Two accounts were set up. The nature of these accounts was that payments needed to be made to them in order to keep them open. Mr S made three large payments to an account between 17 and 20 August 2020. OakNorth's system shows that these were applied to one of the accounts. The other, however, had received no deposits. OakNorth's system sent automatic requests to Mr S to fund this second account.

Around 22 August 2020, OakNorth noticed that Mr S already had a profile on their system. It says that multiple profiles are not permitted in order to comply with legal and regulatory requirements. It says that it moved the two new accounts to the existing profile, which generated new account numbers. OakNorth says that this ought to have been a seamless process, with Mr S's funds showing in his online banking at all times. But the bank says that the move was delayed by high volumes of work, and that Mr S's funds would not have shown in his account for a period of around 24 hours. It says that it emailed Mr S during this period, on 22 August 2020, to explain the ongoing process and the correct account balance. On 26 August 2020, OakNorth closed the second account which had been opened in error. OakNorth agrees that there were shortcomings in the way in which it dealt with Mr S. It paid him £50 to reflect these.

Mr S says that he was left extremely concerned by both the multiple account numbers and the fact that his funds were not showing in his account on 22 August 2020. He says that the multiple accounts and account numbers caused him to fear that he had been the victim of a scam and had lost a very large sum of money. He attempted to contact the bank, but was unable to get through in the telephone. He emailed OakNorth, which led to the explanation email sent on 22 August 2020.

Our investigator thought that OakNorth had treated Mr S fairly. They thought that Mr S had opened multiple accounts in error, and that OakNorth had explained the situation promptly to him, making clear when the funds would be showing in his account.

Mr S did not agree and so the complaint was passed to an ombudsman. That ombudsman issued provisional findings which were different to our investigator's:

*I have considered the initial opening of two accounts. OakNorth's system shows that two applications were made on the same day by Mr S. Their system does not involve any manual check or input at this stage from a staff member. The system generated the account numbers in response to the applications. While I am satisfied that Mr S*

*did not intend to open two accounts, I cannot say that it is more likely than not an error at the bank's end which caused the duplication. While I understand Mr S's point about the screen changing upon clicking submit, this does not mean that the button could not have been clicked twice at his end by mistake. I do not think that the bank got anything wrong at that stage.*

*The funding requests for the second account were also sent automatically. I think that is reasonable for an account which requires such funding. These automatic reminders are a sensible way of reminding customers what they must do to get their account up and running. I do not think the bank was acting unfairly in sending them, where it wasn't aware that the second account had been set up in error.*

*Migrating the accounts to an existing profile was also fair. OakNorth says that legal and regulatory requirements mean that multiple profiles can cause issues, and I am satisfied that it was fair and reasonable to shift the accounts as it did in response to this. That this led to two new account numbers does not make it unfair. But I think it was unfair and unreasonable to take this step without warning Mr S.*

*OakNorth says that high volumes of work were causing delays. That is reasonable, but I also think it would have been fair for it to have warned Mr S about what it was doing and how this would appear to him. It should have known that Mr S's funds would seem to disappear from his account for a period of time. It should have known that customers might use their online banking at any time. So it should have warned Mr S of the possibility and the timescale of his funds seeming to disappear before it migrated the accounts. I accept that OakNorth may not have done that because of delays it was facing – but the impact of not doing so was that Mr S was confused and worried by it taking actions which he didn't understand.*

*Mr S has described the distress that the apparent disappearance of the funds caused him. I think that his position is a reasonable one. His worry about a scam was a sensible one, and his personal circumstances heightened his concern. This was a large sum of money, and he was concerned about the multiple account numbers already. While the bank provided a proper explanation on the afternoon of the day he was able to complain that the funds were gone, he was extremely distressed in the meantime. The explanation came a full day after the disappearance. I do not consider that the £50 already paid is a fair reflection of the distress and inconvenience caused in the meantime. Given the period and the sums involved, I consider that the bank should pay him a further £100, giving a total of £150.*

OakNorth responded and accepted the ombudsman's findings but Mr S didn't respond to us. So the complaint has now been passed to me to decide.

### **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 agree with my colleague's findings. I also note that OakNorth has accepted his recommendations and has told us that Mr S has been in touch expecting it to pay what my colleague recommended, although this service hasn't heard from him directly.

For clarity, my colleague's findings were provisional – giving both sides an opportunity to respond. As that deadline has now passed and neither party has suggested that they disagree with what he said, I see no reason to depart from what my colleague suggested as a fair and reasonable outcome here. So it's this that OakNorth should now do.

**My final decision**

OakNorth Bank plc must pay Mr S £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 July 2023.

James Staples  
**Ombudsman**