

## **The complaint**

Mrs B complains National Westminster Bank Plc (NatWest) made administrative errors regarding her personal loan.

## **What happened**

On 4 August 2023 Mrs B took out a loan for £41,500 – and on 8 August 2023 repaid a proportion of it. When doing so, she had the option of reducing the payments, or reducing the term of the loan. Mrs B's first repayment was due on 18 September 2023.

Mrs B asked to reduce the monthly payment, but NatWest instead reduced the term of the loan in error. Mrs B says she called the bank every day and no one could help. She then complained to the bank on 21 August 2023.

On 25 August 2023 NatWest replied to Mrs B's complaint, accepted they'd made an error, and awarded her £2,150.

Mrs B received £150 into her account that day, tried to call the complaints handler, but says she couldn't get through to her.

On 30 August 2023, NatWest said sorry for this – and paying Mrs B £2,150 was a typo, this was meant to be £150. To recognise this error, they paid Mrs B a further £100.

Unhappy with this Mrs B asked us to look into things – saying she wanted the bank to honour the compensation they told her they'd give her, and that it's not acceptable for a bank to make mistakes like this. She's explained these two errors had a significant impact on her. I've not provided the detail she's given us as this decision is published on our website, but I wanted Mrs B to know I've seen what she's told us.

One of our Investigators considered things and thought NatWest had done enough to put matters right with paying £250 compensation.

Mrs B didn't accept this. She said these issues caused severe distress and anxiety so the complaint was passed to me to decide.

I note Mrs B was asked to provide us with evidence of her medical conditions but having considered her case I'm satisfied it's appropriate for me to decide it without this information.

## **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 disappointing to see that NatWest did make an error, and then compounded that with a further error. But, mistakes can and do happen, so I'm looking at the impact of those mistakes. I should also explain we don't look to make incorrect information true – again, instead we consider the impact of the incorrect information.

The first error NatWest made was not reducing the amount of the monthly payment. It seems there were around six weeks before the first payment was due to come out at the point of this error – and the matter was resolved around three weeks before then. So, although I don't doubt there was an impact on Mrs B, I consider it relatively limited in the context that the payment still wasn't due for three weeks before NatWest confirmed on 25 August 2023 they'd made an error. I should add this was four days after Mrs B raised her complaint – and financial businesses such as NatWest are allowed eight weeks to resolve matters. While I don't doubt it felt like a long time for Mrs B to have been chasing this down, in the overall context it was resolved very quickly.

Unfortunately, they made another error in their letter, by saying they'd pay £2,150 in compensation. I can completely understand why Mrs B would want NatWest to honour this, but as I said earlier we don't look to make incorrect information true. Instead, we consider the impact of that error, and whether NatWest have fairly resolved that.

I think with a further £100, for making a typo in a letter, albeit one which undoubtedly raised Mrs B's expectations significantly, NatWest have done enough to put things right.

I am sorry to hear of the impact this has had on Mrs B, and that it's still impacting her now. But, for the reasons I've set out above, I'm satisfied £250 compensation is total is fair to resolve this complaint.

### **My final decision**

For the reasons I've explained above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 25 April 2024.

Jon Pearce  
**Ombudsman**