

The complaint

Mr B complains that National Westminster Bank Plc provided him with a cheque that was not completed properly and that it delayed in paying him the balance of his funds after transferring funds to a new ISA.

What happened

In July 2023 Mr B opened a Fixed Rate ISA with NatWest. He subsequently arranged to transfer around £40,600 to his account by bank transfer rather than as an ISA transfer. He acknowledges that this was his fault. In compliance with the rules NatWest could only transfer £20,000 to the ISA and it refunded the balance by cheque to Mr B. When Mr B tried to present the cheque, it was rejected as it wasn't completed properly. Mr B subsequently spent some time trying to contact NatWest to get the cheque reissued. NatWest finally released the funds by making a faster payment to Mr B on 12 September 2023.

After Mr B complained to NatWest, it made a payment of £400 compensation to him for his distress and inconvenience. It also credited interest to Mr B's ISA at the rate of 5.9% in respect of the time Mr B had spent waiting for his money.

On referral to the Financial Ombudsman Service our Investigator said that the payment made was enough to compensate Mr B for the period of inconvenience and lost interest.

Mr B did not agree, referring us to a newspaper article which he believed set out a similar case involving NatWest where it paid £750 compensation.

The matter has been referred to me for an Ombudsman's consideration.

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.

Mr B clearly had a poor service from NatWest here. Whilst he admitted that he was at fault for not transferring his funds via an ISA transfer, nevertheless NatWest was at fault for not issuing the cheque for the balance properly. Mr B was then put to further inconvenience in having to chase up payment of his money. I note that the cheque was sent to him some two weeks after he had completed the transfer. He tried to bank the cheque on 18 August 2023, but as I said it was rejected for not having been completed properly.

Mr B then made a number of calls to NatWest trying to chase up the payment of the balance of his money (NatWest's file notes refer to "numerous" calls) and it was not until 12 September that NatWest repaid the balance of his monies to Mr B by a faster payment transfer.

I don't think there was any question in this case of NatWest having "lost" Mr B's money but I do think that the faulty cheque and then the long delay in getting the money back would have caused Mr B some anxiety. It was a period of nearly three weeks between being told the

cheque had been returned and receiving his money.

In considering the proper amount of compensation I do have to take account of the circumstances of the case. I've also considered what we have awarded in similar cases. So, in considering the inconvenience and distress caused to Mr B in the chasing calls and the anxiety of what happened to his money, I think that the payment that NatWest made, of £400 is fair and reasonable. I note also that NatWest paid interest at the rate in his ISA for the time he was without the money. Again I think that is reasonable.

I have noted the newspaper article Mr B supplied but without knowing the full circumstances of that case it's not possible to compare it with Mr B's case.

My final decision

I don't uphold the complaint, as I think that National Westminster Bank Plc has already paid reasonable compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 30 May 2024.

Ray Lawley
Ombudsman