

The complaint

N complains that National Westminster Bank Public Limited Company didn't release money N requested from a saver account within the time frame stipulated in the terms of the account.

N is represented in bringing this complaint to us by its director, Mr R.

What happened

Mr R requested a withdrawal from a saver account N held with NatWest in April 2024. The terms of the account stated there was a 95-day withdrawal period. N received the funds on 30 July 2024, which was approximately ten days later than it was expecting.

Mr R said this impacted N in a number of ways including delaying payments to freelancers and damage to N's reputation.

NatWest admitted they had made an error as the request wasn't uploaded by their branch on the day it was received. In addition, a change of address on the account was required which caused a further delay.

Mr R brought N's complaint to our service and NatWest made an offer of £200 to resolve the matter. Mr R declined this offer as he said it didn't reflect the impact the delay had had on N.

One of our investigators reviewed the complaint and provided evidence of the impact the matter had had on N to NatWest. As a result, NatWest reconsidered their offer and increased it by £300 to £500.

Our investigator thought this was a fair reflection of the inconvenience the delay had caused N, and he sent his view of the matter to both parties saying he thought the £500 was a fair and reasonable settlement in the circumstances of the complaint.

Mr R remained unhappy and asked our investigator to ask NatWest for a further £200 to resolve the matter. He said that if they agreed, he wouldn't escalate the matter to an ombudsman.

NatWest said they thought their offer of £500 was fair, but they were willing to increase it to £700 to settle the matter.

In late October 2024, Mr R got back in contact with our investigator to say he hadn't received the additional £500 he was expecting from NatWest and the four-week window they had been given to make the payment in had since elapsed.

Mr R copied our investigator into correspondence with NatWest on the same day, confirming they had made the payment but not to the account Mr R was expecting to receive it into.

Mr R wanted the compensation increased to £1,000 and asked for the matter to be referred to an ombudsman. So, it was 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, there isn't a lot more I can add to what our investigator has already said. NatWest increased their offer of compensation to £500 based on our investigator's discussions with them.

I agree that £500 is a fair reflection of the inconvenience the delay in releasing the funds to N caused. This included the delay in paying freelancers and a loss in interest. Our investigator explained that we couldn't consider an award for Mr R's distress as the complaint was brought by N, a limited company, which couldn't experience distress.

Had the case been referred to decision at that stage, it is unlikely I would've recommended any increase to the £500 compensation being offered by NatWest. I say this as I believe this was a fair and reasonable amount to settle the complaint. As it is, NatWest did pay a further £200 to N, and I won't be asking them to make any further award.

Our investigator has already explained that I can't consider the delay in NatWest making the payment to N as it doesn't form part of the original complaint. However, I will note that the four weeks is a guideline and not a set timeframe for the payment to be made in.

My final decision

I uphold this complaint but do not require National Westminster Bank Public Limited Company to take any further action.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R, on behalf of N, to accept or reject my decision before 25 April 2025.

Tara Richardson
Ombudsman