

The complaint

Mr R complains that Gatehouse Bank Plc didn't pay him the profit due on his savings account and gave him misleading and inaccurate information.

What happened

Mr R explains that he had been trying to establish the profit payable on his account. And which should have been closed when the balance was below £1 on 24 August 2023. He was wrongly told that this was paid with a withdrawal he'd made. And given significantly differing figures for what that amount was. He was unable to access this information online and was instead shown multiple accounts and a mix up of the details for this account with a past fixed term account. He says he made a number of calls about this and that he needed this information including for his tax records. At the time of his complaint, he still hadn't received that.

Gatehouse accepted it had made mistakes and apologised. It said the account hadn't been closed in August 2023 as it should have been. And that the profit hadn't been paid. Mr R was given incorrect information on numerous occasions between 8 May and 2 July 2024 about that profit and received poor customer service. It had sent out information that didn't reflect the position on the account as the profit of £194.73 hadn't been shown. This had been added to the account. It also sent Mr R a cheque for £215.03 made up of interest on the delayed payment of profit of £15.03 (at a rate of 9 per cent per annum equivalent) and compensation of £200 for his distress and inconvenience.

Our investigator didn't recommend that it do anything more. He said that the compensation was sufficient. He said that this service would look at the overall position and not award compensation against each of the 12 errors Mr R had referred to. And he took into account the great deal of inconvenience, the amount involved and the time over which this was ongoing. He referred to our published guidelines about compensation.

Mr R didn't agree and wanted an ombudsman to review the case. He didn't agree £200 plus the interest was sufficient and stressed that he had to sort this out for himself, and this would likely be an issue for others too. Mr R said reference hadn't been made to the technical issues with the online site. He had provided a breakdown of the compensation he had asked for and wanted an additional £343.97.

My provisional decision

I issued a provisional decision on 16 January 2025. I set out below what I said.

I said that we don't make punitive awards and our investigator had already referred to our published guidance about compensation. The issue here is the compensation for Mr R, and I was looking at his complaint and not what might also happen for others.

I'd looked at the breakdown of compensation Mr R requested. This included £9 for interest lost and I can see that Gatehouse has paid more than that. Mr R also asked for £25 for each of the 12 errors he's set out coming to £300 and a further £250 for his distress and inconvenience.

It is a matter for my judgement as to what is reasonable. And I agreed that it wouldn't be appropriate here to identify individual compensation for each incident. But I did take into account the multiple opportunities Mr R gave Gatehouse to correct this and the number and duration of calls he made which we've had recordings of. And the considerable effort it took him to get a resolution, and which involved a complaint. The staff he spoke to couldn't assist and the systems information when he could gain access wasn't robust. I wasn't clear that he would otherwise have received the money due to him and an explanation of the profit had he not pursued this.

Taking all this into account I didn't think that the distress to him has been fairly reflected in the amount paid. And I thought a further payment of £100 is reasonable and in line with our guidance and would result in appropriate total compensation for everything that happened. I appreciated that this is still less than Mr R wants.

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.

Gatehouse said it accepted my assessment and would pay Mr R the further compensation.

Mr R said that he would accept additional compensation of £150 to resolve the complaint – an increase of £50 on what I'd said in my provisional decision. He said that he had already provided his evidence about what happened, and which backs up his complaint. He wanted to stress that he had been totally failed as a customer. Neither he nor any third party could rely on the information Gatehouse provided, and he could still not access accurate information from its systems. Mr R said he had described and backed up all the 12 errors made. And he said that the staff he dealt with didn't know what they were doing, and he had to resolve things himself. He will need to change his tax returns as interest was placed in the wrong year. Mr R said he had brought the issues to Gatehouse's attention many times and that he didn't have confidence in it as a regulated bank.

I understand Mr R's strength of feeling about what happened and that he still wants higher compensation. The errors made by Gatehouse aren't in dispute and I agree that he's evidenced his complaint points. I consider I took into account everything that happened to him and made an assessment of that in my provisional decision. And I'm afraid for the reasons I've already given that I'm not persuaded that the further compensation he wants is appropriate here. So, I won't be increasing my award as I consider it's fair in the circumstances.

My final decision

My decision is that I uphold this complaint and require Gatehouse Bank Plc to pay Mr R a further £100 making total compensation of £315.03.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 13 March 2025.

Michael Crewe

Ombudsman