DRN-5767000

Financial Ombudsman Service

The complaint

Miss J complains The Royal Bank of Scotland Plc has mis-sold a business account to her and has recently provided poor service in relation to an overdraft application and by charging her fees for international transfers.

What happened

Miss J has two accounts with RBS – an account opened to deal with property matters and a personal account. She says she's been a customer for over 40 years.

Miss J complained to RBS in early 2025 saying that she'd not heard back about an overdraft application, was being given incorrect information about charges for international transfers and about ongoing charges for the account she'd opened to deal with property matters.

RBS looked into Miss J's complaint and said that an internal issue had caused a delay to her overdraft application – which it had resolved – that the information she'd been given about charges for international transfers was correct and that it hadn't done anything wrong as far as the charges it had applied to her business account were concerned. Miss J was unhappy with RBS's response – and its suggestion that she should refer her complaint to us if she remained unhappy – saying she expected more as a long-standing customer. Ultimately, she referred her complaint to our service.

One of our investigators looked into Miss J's complaint about charges on the account she'd opened to deal with property matters and said we couldn't look at it as she'd known since 2005 that the account was a business account. Miss J didn't agree that her complaint was out of time. She said the account had been mis-sold to her as she has never operated a business – something she says HMRC would confirm – and she wouldn't have agreed to open a business account had she been informed of the implications including charges. She asked for an ombudsman to look at this again for her. Her complaint was, as a result, passed to me. Miss J also asked us to proceed with next steps in relation to her other complaint points.

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.

Earlier on this month I issued a decision saying that we couldn't look at Miss J's complaint that she'd been mis-sold a business account. In that decision, because it wasn't entirely clear to me, I said I wasn't going to say anything about the other two issues she'd complained about because I wanted to see if Miss J accepts what our investigator had said – they didn't uphold her complaint on the other two issues. Based on Miss J's responses since then – and what she'd already said before I got involved, I'm satisfied that she has asked us to refer the other two issues to an ombudsman for a decision, so I'm going to consider them.

I'm satisfied that Miss J applied for an overdraft and that her application was rejected due to a marker that RBS accepts had been incorrectly added. I'm satisfied too that this put Miss J off making a further application as it resulted in her losing confidence in RBS. For that reason, I agree with our investigator that RBS rejecting her application – even though she hasn't re-applied – caused distress and inconvenience. And that £100 fairly compensates for this. I can see that RBS has since accepted this.

I'm satisfied too that Miss J can make free international payments from her personal account, but that any international payments from her business account incur a £15 fee. That's because international payments from her business account can only be sent as "urgent payments". I don't, therefore, agree that RBS gave her incorrect information about fees for international payments, or didn't as a result of an error of one kind or another give her both options when sending money from her business account. I, therefore, agree with our investigator that RBS has done nothing wrong as far as international payments are concerned, so I don't need to think about compensation here.

Putting things right

As I've already mentioned, I agree with our investigator that RBS rejecting her application – even though she hasn't re-applied – caused distress and inconvenience. And that £100 fairly compensates for this. So, that's the award I'm going to make.

My final decision

My final decision is that I'm upholding Miss J's other two complaint points in part and require The Royal Bank of Scotland Plc to pay her £100 in compensation in full and final settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 17 September 2025.

Nicolas Atkinson
Ombudsman