

complaint

Miss O complains that National Westminster Bank Plc advertised a loan that was no longer available. She also complains about the poor level of service she received in branch.

background

Miss O went into her local branch to ask about a graduate loan that was advertised on a poster on the wall. The cashier told her she would be eligible for the loan. But when Miss O spoke to an adviser she was told the loan had been discontinued some time ago.

Miss O complained to the bank. She said the bank had used false advertising. She also complained the cashier had given her misleading information. She said she had been treated poorly by staff and that the adviser's behaviour was racist.

The bank said the loan had been discontinued in 2011. It agreed the poster should have been taken down. The bank apologised that Miss O had been given the wrong information by the cashier and it said feedback had been given to the branch about this.

The bank also apologised if she felt she had been shouted at. But it didn't accept the adviser had behaved in a racist way by moving away from Miss O to make a call. It said the adviser moved away to call the lending team to confirm the loan was no longer available.

The bank credited £50 to Miss O's account to reflect the inconvenience it had caused. It offered her a further £150 since we became involved.

Our adjudicator thought the bank had done enough to put things right. He said its apology and offer of compensation were fair and reasonable.

Miss O disagrees. She says she wouldn't have started her course if she'd known the loan was no longer available. But because she hasn't been able to pay the fees her registration has been terminated. She blames the bank for this because she feels it wrongly led her to believe the loan would be available to her.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The bank has apologised to Miss O for the poor service she received. It accepts it gave Miss O the wrong information initially. But I can see it did give her the correct information shortly afterwards. And it says it's given the cashier feedback since.

Miss O felt the adviser was racist because he moved away from her to make a call. I can see the bank says he did that because he needed to give the lending team confidential branch information. So I don't think it's unreasonable that he wanted to make the call in private. I don't think he moved away to make the call because of Miss O's race.

Miss O says she relied on the information contained in the poster and wouldn't have started the course if she thought the loan wasn't available to her. But she hasn't said she made any enquiries about the loan before she started her course. And I don't think the bank ever told

Miss O it would give her a loan. That would always be subject to various checks. So I don't think it's the bank's fault she hasn't been able to pay her fees.

I know Miss O says she wants the loan. But the loan was never available to Miss O. It was discontinued in 2011. So I can't fairly tell the bank to make the loan available to her now. The bank paid £50 into Miss O's account. It has also offered Miss O £150 since we became involved. I think that's a reasonable offer.

my final decision

My final decision is that National Westminster Bank Plc has made a fair offer to pay Miss O £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 9 November 2015.

Elena Feeney
ombudsman