complaint

C, a limited company, complains about how National Westminster Bank Plc handled matters when switching its bank account to another bank, B. Mr F brings this complaint for C.

background

C applied to switch its bank account to B in February 2015. And it's unhappy with how this was handled by NatWest. The key issues fall into two keys areas.

NatWest account closed

Mr F says he was told by NatWest branch staff that C's account would remain open after switching. This led C to expect payments to continue after closure. He's also unhappy that standing orders were transferred to the new account with B.

C says the closure of the account also meant that Mr F's debit card was cancelled. And this embarrassed and inconvenienced Mr F when trying to make payments.

NatWest says the switching process is started by the customer opening an account and completing a switch request form at the new bank. The bank says that its records show that when C completed the paperwork with B, a full switch was requested. The effect of this is that the original account is closed after seven days.

As part of the switching process, NatWest explains that standing orders and direct debits were transferred across to C's new account. And C's cards for this account were cancelled.

Other than what Mr F had said, there wasn't any evidence Mr F was given the wrong information about the account staying open. But the bank offered to pay £100 to C as a gesture of goodwill for any incorrect information Mr F was given.

C says the offer from the bank isn't enough. Mr F says he calculates the amounts that's due at around three and half months based on a daily rate of £600.

requesting copy statements

C says it wasn't able to get past bank statements from NatWest after the account was closed. C says it needed these for its annual tax declaration to HMRC. But C hasn't given our service any evidence of a direct financial loss, such as additional interest or penalties charged by HMRC as a result of this.

NatWest says it can't find any record that C contacted it after the account was closed to request bank statements. However, if a customer does request a statement after an account is closed, they can be produced and sent out.

our adjudicators view

Our adjudicator didn't uphold it this complaint. He accepted what the bank said - the account closure wasn't an error as it was part of the switching process. And he couldn't find any evidence of charges on the original NatWest account or on the new account with B. So he didn't feel there was anything for NatWest to refund under the terms of the switch guarantee.

Our adjudicator noted that C hadn't contacted NatWest or raised a complaint about these issues until around six months after the account switch and closure. And he felt this wasn't the sort of behaviour he'd expect if the account switch and closure had caused C a significant amount of issues.

Finally, he confirmed that he'd asked C for evidence of the losses claimed and problems encountered but hadn't received anything in support.

C's response

C disagrees with this. It says the switching guarantee means that, if something goes wrong, compensation will be paid. And it says things went wrong which caused a significant amount of stress and loss of business relationships.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Where there's a dispute about what happened, I've based my decision on what I think's most likely to have happened in light of the evidence.

Having done so, I can see C feels very strongly about this. But I'm afraid I have to tell it that I think the adjudicator's reached the right outcome here. Indeed, there's very little I can add to what the adjudicator's already said to C. I think he set out the position clearly and thoroughly.

The only point I'd make is that Mr F, for C, would've signed a form requesting a full switching service when it applied for the new account with B. And this meant that C's account with NatWest was going to be closed at the end of the switching process, in accordance with C's instructions. And, in the switching process, I haven't seen any evidence that NatWest did anything wrong. So, although it's offered to pay £100 to Mr C as a gesture of goodwill in case Mr F was given incorrect information, I think this was more than it needed to do.

If Mr F disputes signing the form for a full switching service, this is something C needs to raise with B in the first instance.

I'm sorry to disappoint Mr F. But my decision brings to an end what we – in trying to resolve C's dispute with NatWest informally – can do for it.

my final decision

For the reasons set out above, my final decision is that I don't uphold C's complaint against National Westminster Bank plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F, for and on behalf of C, to accept or reject my decision before 15 February 2016.

Rebecca Ellis
ombudsman