

## **complaint**

Mr D complains that National Westminster Bank Plc ("NatWest") has failed to correctly handle or acknowledge cheques that he has sent it. He is unhappy that cheques he sent NatWest for capital repayments on his mortgage are not being acknowledged and are sometimes incorrectly treated as overpayments. He is also concerned that his records do not coincide with the detail provided on the mortgage statements.

Further, Mr D feels that he was required to provide disproportionate amounts of information in relation to a mortgage extension request.

## **background**

The financial relationship at the heart of this complaint concerns a mortgage taken out jointly by Mr and Mrs D. This means that, for the purposes of our rules, the complaint must be brought by both Mr and Mrs D and my decision will bind them both as well as the business. Although Mr D has made the complaint to our service, my decision refers to both of them. No discourtesy is intended to Mr D by this. It is a procedural point only, but one that I must adhere to under our rules

Our adjudicator considered this complaint and explained to Mr D why she did not feel that it should be upheld. Mr D did not agree with this view.

So it falls to me to make a final decision on this case.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Having done so, I am afraid that I must disappoint Mr and Mrs D, because I do not uphold their complaint. I have explained my reasons below.

I can see that Mr and Mrs D have been caused a deal of frustration by the way NatWest has handled their mortgage account. It is clear that payments have been wrongly handled and not acknowledged over a significant period of time. But NatWest has admitted that it has been at fault and has provided Mr and Mrs D with £200 in compensation for the trouble it has caused them.

Mr and Mrs D also complain that their payments and debits do not correspond with mortgage statements that have been provided to them. Again, I can see why this has happened – and understand the anxiety and irritation that this has caused.

But NatWest, like most large and mainstream financial businesses, has a mostly automated system for managing its accounts and communicating with consumers. When it makes adjustments to accommodate those consumers - such as Mr and Mrs D - whose situations require something less automated and more bespoke, they are invariably manual arrangements reliant on human input rather than a computer programme.

Unfortunately, those humans sometimes do the wrong things, or use convoluted process that is not automatically transparent to an outside observer. I can see that in this case, payments were sometimes aggregated, were sometimes wrongly credited and then removed

or were passed internally from one place to another within NatWest. None of this is excellent business performance, but it is also not intentional mis-representation.

I have looked at the information that NatWest has given us and the explanations that it has provided on the unusual or unexpected entries that Mr and Mrs D have raised concerns about. In the end, while difficult to follow for the reasons explained by our adjudicator and touched on above, it does appear that the overall balance of the mortgage that was provided to Mr and Mrs D on 22 September 2015 was correct.

It is, of course, to be hoped that no more mistakes result from any further ad-hoc cheque payments that Mr and Mrs D make on their mortgage. But that is not something that NatWest can guarantee. I can only suggest that, going forward, Mr and Mrs D raise any concerns or queries directly with NatWest's mortgage operations team as soon as practicable.

I can understand that Mr and Mrs D think that action should be taken to prevent NatWest's poor performance being repeated at some future date. But, as our adjudicator told them, that is not something that we can do. It is the role of the regulator to review and monitor a business' processes.

I have then turned to the issue of whether NatWest treated Mr and Mrs D unfairly when they asked for a mortgage extension.

Mr and Mrs D have told us that they are high net worth individuals with sufficient assets to repay the mortgage extension that they wanted outright. They do not feel that NatWest or even the financial regulator really require the level of income detail that they were asked to provide to secure the mortgage extension they wanted.

Again, I can understand Mr and Mrs D's view. But the fact remains that they are using a large retail bank for their mortgage. As such, they are likely to be required to engage with process and procedures that a bank providing a more bespoke service might not require. I do not see that NatWest has behaved unreasonably or unfairly towards Mr and Mrs D in asking them for the standard information required to secure a mortgage extension under its business rules. Mr and Mrs D are free to look elsewhere if they require a more tailored banking service.

Beyond that, our adjudicator provided to Mr and Mrs D the detail of the Mortgages and Home Finance: Conduct of Business sourcebook (MCOB) which governs responsible lending. This indicates that, even high net worth individuals should be required to provide acceptable proof of their income and evidence of their net assets to the lending business. So I do not find that NatWest has treated Mr and Mrs D unfairly.

Having looked at this case with care, I do not uphold any aspect of their complaint.

Some of Mr D's comments to our adjudicator about our service lead me to believe that he will be both disappointed and frustrated by my decision. I would note that our service is an informal alternative to the courts, and that we look at whether the consumer has been disadvantaged financially by any action or failure of the business. If they have, then we aim to put that right. But we are not set up - or required - to make businesses change their established ways of working.

I remind Mr and Mrs D that they do not have to accept my decision. In the event that they do not do so, it will not be binding on either party. Subject to any time limits that a court might impose, Mr and Mrs D's right to take legal action against the business will not have been prejudiced by our consideration of their complaint.

**my final decision**

For the reasons that our adjudicator gave and that I have briefly explained above, I do not uphold Mr and Mrs D's complaint against National Westminster Bank Plc.

I consider the payment for trouble and inconvenience that National Westminster Bank Plc made to Mr and Mrs D to be appropriate in the circumstances of this case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs D to accept or reject my decision before 13 November 2015.

Roxy Boyce  
**ombudsman**