

## The complaint

Mr H, as managing director of N, a limited company, complains that National Westminster Bank Plc (NatWest) didn't provide a printout to show that a replacement standing order from the business account had been set up correctly, and that the standing order was then cancelled without Mr H's permission.

## What happened

In February 2020, Mr H went to a branch of NatWest to amend standing orders from N's business current account, to pay £140 a fortnight each to him and his wife. However, the incorrect reference number was used on the one set up for him, as it had a digit missing from the end. This couldn't be cancelled on that day, and so Mr H was given a note to say that it should be cancelled the following day and then a new standing order was set up with the correct reference number.

Mr H wanted a printout to show the details of the standing orders but was only given these for his wife's one.

Mr H complained. He said that he intended on going to a different branch of NatWest the following day to try and get the printout and make sure the incorrect standing order had been cancelled.

Mr H did this, but still didn't receive the printout for his standing order which he wanted.

NatWest apologised for the issues Mr H had experienced. It said that the corrections had been completed and that there were two active standing orders for £140 fortnightly for him and Mrs H. NatWest credited the business account with £100 to recognise the inconvenience and travel costs incurred.

But Mr H asked why he hadn't been able to get the printout for the standing order. He then found that his standing order didn't go through the following month, and so he had to manually transfer the payment.

NatWest then said that there was only one standing order set up on the business account, which was the one to Mrs H. Again, it apologised for the inconvenience caused and it credited the business account with a further £75. NatWest said that Mr H could contact it to set up his standing order.

Mr H questioned who had cancelled his standing order and why. He didn't feel that he wanted to have to set up the standing order again, as NatWest hadn't explained why it had been cancelled.

### *The investigator's opinion*

One of our investigators looked into the complaint but didn't think NatWest needed to take any action as she felt it had done what we'd expect in the circumstances. She said that Mr H had authorised the cancellation of the standing order, but this hadn't been processed until a week later. So, at the time of NatWest's initial response to Mr H, there were two active standing orders showing on the business account, as this was before the cancellation. She said that Mr H would need to contact NatWest directly to get the standing order set up and then he would be able to get the printout he wanted to show this.

The investigator said that NatWest had paid N a total of £175, which she thought was fair for the inconvenience Mr H as the managing director was caused.

Mr H didn't accept the investigator's findings. He said he hadn't received a copy of NatWest's response to his later complaint, which had been sent to him in March 2020. He didn't believe that NatWest had acted fairly.

### *My provisional decision*

I issued my provisional decision on this complaint in November 2020. In summary, I thought the compensation of £175 NatWest had paid N was fair.

I went through all the details both Mr H and NatWest provided. And I said that I could appreciate that Mr H will have been concerned and confused by the problems he had in setting up this standing order and had understandably been reluctant to visit a branch to set up another.

I felt it may help if I set out what I thought may have happened after considering all the evidence, as this might give some understanding of why the standing order to Mr H was cancelled, and only Mrs H's one remained on the business account.

I said I was aware the two new standing orders replaced earlier ones. That may have added to some of the confusion in communication. But it didn't directly impact on the problems Mr H experienced.

On 11 February 2020, Mr H visited a NatWest branch to set up the two standing orders to his account and to his wife's. But his one was set up with a digit missing off the end of the reference number.

It seemed that a replacement standing order was set up with the right details but the incorrect one couldn't be cancelled that day. There was a print out of the details of the incorrect standing order with a hand-written note to cancel it. This same day, Mr H emailed NatWest to set out what had happened and to say that he hadn't been given a copy of the printout for the correct standing orders.

The following day, 12 February, the incorrect standing order was cancelled from the business account. As I understood it, this would've left two standing orders still active on the account, one for Mr H and the other for Mrs H.

Mr H told us that he returned to the same branch (on the 12 February) and also went to a different branch as he wanted the standing order printout. I could also see that he signed an instruction to cancel a standing order. The payee name was his and the reference number was the correct one, so not the one with the missing digit.

On 17 February, NatWest responded to Mr H's email and apologised for the issues he'd experienced. It said that all previous lapsed and incorrect standing orders had been cancelled, and that there were two active standing orders remaining to him and Mrs H with the correct reference numbers.

On 19 February, NatWest processed the cancellation request Mr H had signed on 12 February, so his active standing order was taken off from that point, leaving just Mrs H's. This meant that the payment Mr H was due from this standing order wasn't made, while Mrs H's was.

Overall, I said I thought the matter had been complicated through the setting up of the standing order with the wrong reference number in the first place, and then the subsequent process of trying to get this cancelled while leaving only the correct two standing orders active.

I didn't think NatWest provided Mr H with incorrect information in its email of 17 February, as that was right at that time. His standing order was cancelled two days later on the basis of the instruction he gave, presumably on the understanding that this was for the incorrect standing order, when that had already been cancelled. I said this because the printout of the standing orders from 12 February shows there were two active ones and three cancelled ones.

I said it wasn't clear why NatWest was unable to give Mr H the copy of his standing order documentation he wanted when he asked for this on 11 and 12 February, as it seemed his correct standing order was active at that time. But this now couldn't be provided to him as there was no longer an active standing order for him.

NatWest had already paid a total of £175 to the business account for the inconvenience caused through this matter, and Mr H's travel costs. While I appreciated how this impacted upon Mr H himself as managing director of H, and that this standing order was intended to be paid to him directly, NatWest's customer for the purposes of making this complaint is N as a company, and that company can't be said to suffer or be caused upset. And I hadn't seen that N had been specifically financially disadvantaged. So I didn't think NatWest should be required to pay further compensation to N.

I said that, should Mr H now wish to set up another standing order to allow the payment to be made from N's account without him having to do this manually, then he would need to contact NatWest directly or go through one of its branches. I said I would hope that NatWest would ensure that the correct details are used when this is processed, as I could appreciate that Mr H may be concerned about similar issues happening again.

### *The responses*

NatWest said that it had nothing further to add to my provisional decision.

Mr H responded to say that he hadn't received an explanation of why his salary hadn't been paid initially, and that he didn't receive this until our involvement. He said this fell short of the service NatWest should have provided, and this hadn't been recognised in my provisional decision.

### **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.

I do appreciate Mr H's point about the time it took for him to receive an explanation about why the standing order payment wasn't made. However, as I said in my provisional decision, I think the matter was complicated by the process of trying to put right the initial mistake with the standing order. I say this because different branches were involved, and NatWest had completed the instruction to cancel the standing order, when the incorrect one had already been cancelled. So I think this is likely to have caused confusion about what had happened and the reason why the standing order hadn't gone through.

And overall, my findings remain that I think the £175 NatWest has paid to N, as its customer, is fair compensation for the inconvenience caused by the matter.

### **My final decision**

My decision is that National Westminster Plc has already paid N £175 in recognition of the issues of setting up the standing order, and I think that represents fair settlement to this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask N to accept or reject my decision before 23 February 2021.

Cathy Bovan  
**Ombudsman**