

The complaint

A business partnership, which I'll refer to as 'A', is unhappy with the service it received from National Westminster Bank Plc ("NatWest") surrounding its Bounce Back Loan ("BBL").

A's complaint is brought to this service by one of A's partners, whom I'll refer to as 'Ms G'.

What happened

To briefly summarise: Ms G and her then husband were partners in A ("the Partnership"), which held a BBL with NatWest. In 2023, Ms G was separating from her then husband and dissolving the Partnership. On 25 September 2023, Ms G called NatWest looking to pay off A's BBL. NatWest explained to Ms G that they needed to calculate the amount needed to repay the loan in full, but that Ms G could make a lump sum payment towards the balance. Accordingly, Ms G made a payment of £3,000 towards the BBL, and NatWest promised to update her on what amount was left to pay once they'd completed their loan calculations.

Ms G called NatWest to get an update on how much was left to pay on the BBL on 6 October 2023. But NatWest's agent explained to Ms G that while the £3,000 payment she'd made had left her account, it hadn't been received into the BBL account, and that because of this the BBL was in arrears. Ms G wasn't happy about this and was worried that NatWest had lost the £3,000 that she'd paid, so she raised a complaint. NatWest's agent apologised for what had happened and placed a 30-day hold on the BBL account to stop Ms G receiving arrears letters for the BBL.

However, shortly afterwards, Ms G received letters from NatWest stating that A's BBL was in arrears and asking her to contact them about it. Ms G called NatWest and explained what had happened and asked them to let her know as soon as their search for the missing £3,000 payment was concluded.

On 2 November 2023, Ms G received a notice from NatWest asking her to call them. Ms G spoke with NatWest the following day, at which time she was told that the £3,000 payment had credited A's BBL several weeks earlier. Ms G wasn't happy that no one at NatWest had let her know her that the missing money had been located, and she reiterated her complaint.

NatWest responded to Ms G and explained that the £3,000 payment had credited A's BBL account on 6 October 2023 – the day that Ms G had been told that the payment was missing. NatWest apologised to Ms G for this, and for the BBL arrears letters she'd later received. NatWest also apologised for the length of time it had taken them to respond to her complaint. And NatWest paid £500 to Ms G as compensation for any trouble or upset she may have incurred as a result.

Ms G wasn't satisfied with NatWest's response, and she felt that her mental health had been significantly impacted by what had happened which had caused her to miss work and incur a financial loss. And Ms G also felt that she'd incurred other financial losses because of NatWest's failure to update her as to the status of the missing £3,000 payment, including surrounding delays to her divorce proceedings. Because of this, Ms G referred her complaint to this service.

One of our investigators looked at this complaint. But they didn't feel that it could fairly be said that the financial losses that Ms G was claiming had happened solely because of NatWest's actions. And they also felt that the response NatWest had issued to Ms G's complaint, including the £500 compensation payment, already represented a fair outcome to what had taken place. Ms G remained dissatisfied, so the matter was escalated to an ombudsman for a final 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.

Having done so, I'd like to begin by confirming that this service isn't a regulatory body or a Court of Law and doesn't operate as such. Instead, this service is an informal, impartial dispute resolution service. And while we do take relevant law and regulation into account when arriving at our decisions, our remit is focussed on determining whether we feel a fair or unfair outcome has occurred – from an impartial perspective, after taking all the factors and circumstances of a complaint into consideration.

In her correspondence with this service, Ms G has provided a detailed explanation of the mental health struggles she was experiencing because of the dissolution of her marriage and her business partnership, and how these were exacerbated by NatWest's actions surrounding the £3,000 payment that she made. This includes not only the acute worry and anxiety that Ms G felt while the £3,000 was missing, but also NatWest's failure to reach out and tell Ms G when the money was found, which would have settled her fears and concerns.

It's only natural to sympathise with Ms G regarding the difficulties she experienced in her personal and professional life around that time. And I can confirm that I've taken Ms G's testimony about her mental health into account when assessing this complaint.

But there are other factors which I feel are also important here. These include that NatWest have confirmed that the £3,000 payment did credit A's BBL account on 6 October 2023. And NatWest have also provided an audit trail which shows that Ms G accessed her NatWest online banking several times throughout October and November 2023, including on both 6 and 7 October 2023, at which time the receipt of the £3,000 payment into A's BBL account would have been visible to her.

Ms G has explained that she did see the £3,000 credit into A's BBL account at that time, but that because of her poor experience with NatWest, she didn't trust NatWest's system to provide accurate information about her account. Instead, Ms G wanted someone from NatWest to ensure that the receipt of the £3,000 into A's BBL account had taken place and to call her to confirm that that was the case.

Conversely, NatWest have explained that they don't call customers when money is received into an account, but that they provide the tools – such as online banking access – to enable customers to monitor their accounts and see when credits have been received.

However, it's important to note that both Ms G's testimony and NatWest's contact notes confirm that Ms G had told NatWest about her difficult personal circumstances and the impact of them on her mental state when she made the £3,000 payment on 25 September 2023. And Ms G's anxiety about the missing money is also apparent from NatWest's contact notes on 6 October 2023, when she was told that the payment was missing.

Because of NatWest's understanding of Ms G's personal position, I feel that NatWest should have considered Ms G to have been a vulnerable customer at that time, and so should have

ensured that Ms G was kept up to date about the status of the missing £3,000 in a timely manner.

But I also feel that the fact that Ms G could and did see via her online banking that the £3,000 had been received into A's BBL account is a significant mitigating factor here. And I don't feel it was reasonable for Ms G to discount the information visible to her via online banking, or to have not contacted NatWest and specifically told them that she could see the £3,000 payment on her online banking and to have questioned them about it.

Ms G has also said that because of the worry and anxiety caused by NatWest not confirming that the missing payment had been located, she missed several days at work at her own expense. And Ms G has also said that she wasn't able to proceed with her divorce while the payment was missing. But, as per the above, I feel that Ms G could reasonably have confirmed that the payment had arrived, on the day after it hadn't, given that her online banking confirmed this. As such, I don't feel it would be fair to hold NatWest responsible for any of the Partnership's losses that took place after that.

NatWest did provide poor service to Ms G by telling her that the payment was missing in the first instance, by sending arrears letters, and then by not calling Ms G – being aware of her vulnerabilities – when the payment was seen to have credited A's account. But as explained, I feel that it should reasonably have been apparent to Ms G that the £3,000 had been received into A's BBL account because of the confirmation of this point on her online banking, which Ms G has confirmed that she saw.

Because of this, while I accept that Ms G was very worried and anxious about what had happened, I don't feel that it's fair to hold NatWest responsible or accountable for the totality of that distress and worry – because NatWest had provided Ms G with the confirmation via online banking that the £3,000 payment had been received into A's BBL account.

In their response to Ms G's complaint, NatWest acknowledged that they had provided poor service to Ms G, and they made a payment of £500 to her as compensation for any trouble or upset she may have incurred. This feels fair to me, given that I don't feel that NatWest should reasonably be considered accountable for all the worry that Ms G has experienced here, and in consideration of the general framework of service uses when assessing compensation amounts – details of which are available on this service's website. And I can confirm that £500 is commensurate with what I might have instructed NatWest to have paid to Ms G here, had they not already done so.

All of which means that I feel that the response that NatWest have issued to this complaint, including the payment of £500 compensation, already represents a fair outcome to what's happened. And it therefore follows that I won't be upholding this complaint or instructing NatWest to take any further or alternative action here.

I realise this won't be the outcome Ms G was wanting. But I hope that she will understand, given all that I've explained, why I've made the final decision that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask A to accept or reject my decision before 6 June 2024.

Paul Cooper

Ombudsman