

The complaint

Mrs C complains about how long Santander UK Plc trading as Cahoot took to open a fixed term account.

What happened

Mrs C says she applied for a one-year fixed term bond account on 10 January 2023 with Cahoot. She says her existing account matured on 18 January 2023 and so applied for the new account in what she thought was good time. Mrs C says she intended paying in over £77,000 into the new account but the new account took until 3 March 2023 to be opened. She would like interest paid on the money from 18 January 2023 until 3 March 2023 but says she accepts the £100 compensation she was paid by Cahoot.

Cahoot accepts it didn't deal appropriately with parts of Mrs C's complaint and accepts she made a number of telephone calls to it. It has paid £100 compensation but says it made clear there were delays in opening the account.

Mrs C brought her complaint to us, and our investigator thought the compensation appropriate but didn't think there was a loss of interest as the fixed term account was opened.

Mrs C doesn't accept that view and says she should have been told of the significant delays and says she has lost interest. She accepts the compensation award is appropriate but maintains she should be paid the interest. Mrs C accepts she received e-mails from Cahoot telling her there were delays in opening this type of account.

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 have come to the overall view that I don't require Cahoot to pay Mrs C any interest and think the compensation award is appropriate. I make clear that I accept Mrs C's money was not earning interest until the account was opened and appreciate what she says about the investigator's view on that point.

I have not seen any evidence from either side to this complaint, that when Mrs C applied for the account, she was given an account opening date. But I'm satisfied that Mrs C was told by Cahoot on more than one occasion that there were delays in opening this type of account. I say that as Mrs C accepted during the calls between her and Cahoot that she had received that information on more than one occasion. So, I think Cahoot made it clear in January 2023 that there were delays, and it was Mrs C's informed choice to continue with the application rather than for example opening a different account.

I have listened to the first call Mrs C made to Cahoot in January 2023 and am satisfied she was clearly told again there were delays in opening accounts and there was no guarantee about timescales. I find Mrs C was then given an estimated timescale for Cahoot looking at

her application.

Mrs C then called Cahoot again in early February 2023 and I'm satisfied she was told she may need to wait for a further 17 working days. During the call I'm satisfied Mrs C told Cahoot its systems were "not fit for purpose" and it was also clear Mrs C was unhappy with the timescales and didn't agree with the later request for identification documents.

There is no dispute that the account was opened in early March 2023 and Cahoot told Mrs C in a later telephone call it hadn't received her identification documents but agreed to receive them by e-mail. I accept, as Cahoot has, that it didn't deal with parts of the application process as it should. And Cahoot has paid compensation which I think is fair and reasonable which Mrs C also agrees was appropriate.

The key issue here is if Cahoot should pay interest from 18 January 2023 to 3 March 2023. I'm satisfied Cahoot made clear on a number of occasions in e-mails and in telephone calls that it was experiencing delays in processing new applications. And that Mrs C was told that information from when she opened the account until early February 2023. I also think Mrs C was told in early February 2023 that there would be a further delay of about 17 working days.

So, I'm satisfied Cahoot was clear throughout this process that there were delays and made Mrs C aware of that. I find it was Mrs C's choice in those circumstances to continue with the opening process rather than for example open an account with a different provider. I have not seen any evidence Cahoot misled Mrs C about account opening timescales and have made clear I find it repeatedly told her about delays as well as giving her information about timescales.

I appreciate Mrs C says other account providers open accounts far sooner and complains about Cahoot's process. But those are not matters I can fairly comment on as we are not Cahoot's regulator. The important point is that Cahoot did tell Mrs C there were delays and did tell Mrs C in early February 2023 it may take 17 working days after receipt of further documents to consider the application. And it's not our role to conclude a business's system for account opening is unfair or should be improved.

Overall, I can't fairly direct Cahoot to pay interest to Mrs C. I find in any event the start date Mrs C says it should be paid from is arbitrary and there was no guarantee for an opening date. I have made clear it was Mrs C's choice to continue with the account opening process.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 25 November 2023.

David Singh
Ombudsman