

The complaint

Mr G complains that National Westminster Bank Plc (NatWest) withdrew various mortgage deals in response to the Bank of England's interest rate rises but failed to raise interest rates on his savings accounts at the same time. He also complained about the way that NatWest dealt with his complaint.

What happened

In late September 2022 Mr G contacted NatWest to log a complaint about the interest rate applied to his savings account. Essentially he said that NatWest had "pulled" various mortgage deals immediately in response to the Bank of England interest rate rise but it failed to raise the interest rate on the savings account he had with it. He felt this was profiteering. He also complained that he had to repeat his complaint several times to different people, that his complaint was initially dealt with as a query and about the automated message when he was put on hold.

NatWest provided a final response letter in November 2022. Essentially it said it was a matter of its commercial judgement as to what interest rates to apply and that it has raised the rates on its savings accounts. It said it dealt with Mr G's complaint properly although it did have a high volume of complaints. And it apologised for not changing the automated message. It also dealt with Mr G's complaints of a data breach on the phone and about the way he was spoken to.

On referral to the Financial Ombudsman Service our Investigator said that so far as Mr G's complaint about NatWest's complaint handling service was concerned this was out of jurisdiction as it didn't concern a regulated activity. I understand Mr G accepted this. As regards the complaint about the interest rate our Investigator said this was a commercial decision for NatWest. She noted Mr G's concern that his complaint was dealt with as a query and about the automated message but noted that NatWest had apologised and Mr G had suffered no detriment.

The matter has been passed to me for further consideration.

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.

complaint handling

I just reiterate here that Mr G's complaint about NatWest's complaint handling procedure, the long wait times and the delays caused by this relate to an unregulated activity, so are out of our jurisdiction. I have considered the specific aspect of the dealings with Mr G's particular complaint within the other complaints set out below.

interest rates

I understand that Mr G has a savings account with NatWest, but not a mortgage. NatWest has pointed out to Mr G that it did in fact raise interest rates on its savings accounts. In any event it is a matter of NatWest's commercial decision what interest rates it applies and when. So long as it applied it fairly to all customers it's not a matter I have any power to take any action about. The Financial Ombudsman Service is an alternative dispute resolution service. Our function is to try to resolve individual complaints informally between the parties. It is not the regulator and I have no power to decide matters of policy or principle. I've noted the newspaper article Mr G has supplied but again the political issue about whether Banks have done enough to raise the rates on savings at the same time as raising those on mortgages is not an issue which I have any power to intervene in.

dealing with a complaint as a query.

Having listened to the telephone calls about this it is clear that Mr G wanted to raise a complaint, but NatWest initially dealt with it as a query. Although it thought it had dealt with it, by treating it as a query it didn't go through the complaints handling procedure. I can understand Mr G's dissatisfaction with this. However I think NatWest then dealt with it appropriately, and apologised for this, so I won't require it to take any further action.

automated message

I understand that when Mr G was put on hold in the middle of a conversation, a recorded message was played advising that the best time to call was between 2 and 5 pm, when he was calling between those hours. I understand his annoyance at this, but it appears to be something that was simply overlooked in the context of receiving and handling a large number of calls.

other issues

For the sake of completeness I just note here other issues dealt with in NatWest's final response letter.

Firstly the alleged breach of data protection rules when an adviser called Mr G back without going through security details again. If Mr G believes there was a breach of the data protection rules that is a matter he can raise with the Information Commissioner's Office.

And finally in respect of the calls I listened to, particularly the one where Mr G alleged the adviser was rude to him, I don't think there are any issues I would be inclined to require NatWest to take any action on.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 22 August 2023.

Ray Lawley
Ombudsman