

## **The complaint**

Mr J complains that National Westminster Bank Plc (NatWest) has refused his application to upgrade his account.

## **What happened**

In May 2003 Mr J attempted to open a “reward” account with NatWest. He was declined the reward account and given a foundation account instead. He was told he could appeal. He received a code saying his appeal was successful and was told that he could apply to upgrade the foundation account. He made the application to upgrade the foundation account to a reward account, and was told he had to call the bank. He made two attempts to get the account set up over the phone but the advisers told him that there was a marker on another account he had with NatWest concerning an overdraft debt which he was repaying. This prevented them from making the application. They suggested that he spoke to the recoveries department to get the marker removed.

He made a complaint to NatWest and it paid him £150 compensation for the problems he had had. He was told that he could make a further application but there was no guarantee that it would be successful. He tried again but was told that his account was not eligible for conversion to a reward account.

On referral to the Financial Ombudsman Service our Investigator said that NatWest had shown that he did not meet the eligibility criteria for the reward account. But she said that Mr J had received a poor service from NatWest, in particular giving him the impression that his application would be granted. She thought the £150 paid was an appropriate award of compensation.

Mr J did not agree. In particular he says he was told that his appeal had been successful and that he would be granted his reward account. He has a similar account with a bank in the same banking group and was assured that if he was eligible for that account, NatWest should provide him with the same 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.

I do think that Mr J was given the impression that his application for a reward account would be successful. NatWest has been unable to supply the relevant chat transcript, but I have no reason to doubt Mr J was told that he could upgrade his foundation account to a reward account. And telling him his appeal was successful also implied that he should have been able to upgrade his foundation account to a reward account. I also note that in one of the phone calls the adviser did say that a code saying the appeal was overturned should lead to the account being upgraded.

So Mr J was given a poor service by NatWest which caused him some inconvenience and distress. I note that NatWest has paid him £150 which I think was fair and reasonable in the

circumstances.

I have to decide whether NatWest should provide him with the reward account which he applied for. Whilst its choice of wording was poor, and it would appear he was told during the chat that he could upgrade the account, he still had to go through the application, so it could still be unsuccessful. I'm satisfied from the information that NatWest has supplied that Mr J did not meet the eligibility criteria for the reward account. Whilst I can't share the full details of that, it was clear that when attempting to go through the application procedure, the adviser couldn't complete it because of the markers on his account concerning an overdraft debt which he was paying off. It would appear that attempting to get the recoveries department to remove the markers was unsuccessful.

So, as NatWest has told us that Mr J doesn't meet the eligibility criteria for a reward account, I can't ask it to override those criteria. I understand that Mr J does have a reward account, which he says he opened in October 2022, with a bank in the same banking group, but I can't speculate as to why that application was granted but his application to NatWest was declined.

### **My final decision**

As National Westminster Bank Plc has paid appropriate compensation, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 4 December 2023.

Ray Lawley  
**Ombudsman**