

The complaint

Mr M complains that National Westminster Bank Plc trading as Ulster Bank didn't provide the service it should have when he applied to open an account.

What happened

Mr M's application for a current account with Ulster Bank was declined. He says that the service provided through this process was poor. He says he wasted time visiting two branches to provide proof of address and then when he chased the outcome, he was told an account couldn't be opened due to his credit rating. Mr M says he had no credit or debt at the time and was able to open an account with another provider without issue. He says that Ulster Bank took too long to respond to his complaint and then didn't respond to his emails. He thought £75 compensation wasn't sufficient.

Ulster Bank issued a final response letter dated 26 August 2022. It accepted that it hadn't provided the service it should have and apologised for this and awarded Mr M £75 compensation for the upset and inconvenience he had been caused. In regard to his application being declined it said it considered financial information from the previous six years and it wasn't able to provide Mr M with an account at that time.

Our investigator didn't think that Ulster Bank had done anything wrong by deciding not to open an account for Mr M. She noted that Ulster Bank had apologised for the poor service during the account opening process and thought the £75 compensation awarded was reasonable.

Mr M didn't agree with our investigator's view. He said there couldn't be information held about him from other banks in the last six years and reiterated that he had been able to open an account with another bank without issue. He said that communication was at the heart of his complaint and he didn't think the compensation was enough given he needed to travel to two bank branches.

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.

This decision is about the experience Mr M had when trying to open an account with Ulster Bank and I can understand why he is upset by this. Ulster Bank has explained that when it completed its credit check it found Mr M was registered on the voters roll at his address from 2021 onwards but no further evidence was found. Mr M has explained that he didn't have any other credit or debt at the time. Ulster Bank has its own processes for deciding whether to offer its services or not and this is a commercial decision. In this case, I cannot say that Ulster Bank did anything wrong by not providing Mr M with the account he requested and I understand that it offered him a foundation account – which I find reasonable - but he did not proceed with this.

A key part of Mr M's complaint is about the service he has received, and I agree this wasn't

at the level it should have been. Mr M applied for the account online and then had to chase for an update of progress. He was then told that an application pack would be sent to him which he would need to complete and submit the relevant documents to a branch. I can understand why he felt this was an unnecessary inconvenience and that he wanted to complete the process online. He was then told that once he had visited the branch with his documents his account would be opened. This was incorrect as further checks took place and in this case the account wasn't able to be opened. I note Mr M's comments that he needed to visit two branches and the inconvenience this caused him. Mr M has also said that it took Ulster Bank too long to respond to his complaint and it didn't respond to his email.

I have taken this all into account when considering the issue of compensation. I appreciate that Mr M doesn't think the £75 awarded by Ulster Bank is enough and he raised this with Ulster Bank in his email following the issuing of the final response letter. However, in this case, I find this reasonable. I say this because Mr M raised his complaint on 22 July 2022 and a final response letter was issued dated 26 August 2022. I understand that Mr M thinks this was a slow response, but it was within the required timeframe. In its letter Ulster Bank acknowledged the service wasn't as it should have been, said feedback had been provided, apologised and said compensation would be paid. So, while I have taken into account Mr M had visited two branches (one wasn't open at the time) and his comments about the communication being poor, I find that the £75 compensation awarded in this case in regard to Mr M's account opening experience is reasonable. I therefore do not require Ulster Bank to do anything further in resolution of this complaint.

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 Mr M to accept or reject my decision before 16 August 2023.

Jane Archer
Ombudsman