

The complaint

Mrs C complains The Royal Bank of Scotland Plc (RBS) caused her to lose access to her current account for two years and the interest she could have earned on her savings. She also complains of poor customer service, saying she was disrespected and bullied by staff.

What happened

RBS said Mrs C ordered a new card on 4 July 2023, but it couldn't identify her for security purposes, and she was asked to call back or visit the branch or re-register for online banking. Mrs C attempted to re-register, but a reactivation code was sent to an old phone number. Mrs C called RBS again and requested it change her number, but the call handler said this wasn't possible and she would need to go to the branch and order a new PIN number.

Mrs C said she was sent a new PIN by RBS, but when she used this her card was blocked. Mrs C said she had to request a new card and new PIN number, but when she collected the card from the branch the PIN was not there. Mrs C said RBS told her it had sent the PIN number to a branch a long way away from where she lived rather than her local branch. She said she was advised at the beginning of September 2023 that RBS would send her a PIN which she would receive within 2-3 working days, but she didn't receive this.

Mrs C complained to RBS. In its final response RBS said it had failed to provide Mrs C with a PIN for her debit card and apologised that she had been without a working debit card for a considerable period of time. It said a new card and PIN had been arranged for her. RBS couldn't explain why it had sent a PIN to a remote branch, but could imagine her frustration.

RBS said it was disappointed about Mrs C's experience in finding branch staff unhelpful and rude. But said Mrs C didn't need to have missed an investment opportunity as she could have transferred her money to a savings account without a debit card and so it wouldn't compensate for this. However, RBS said for the unnecessary inconvenience it had caused Mrs C it would pay her a total of £300 compensation.

Mrs C didn't think £300 compensation was enough. She wants £1,400 as she could have put the money into a savings account to get interest. Mrs C referred her complaint to our service.

Our investigator didn't recommend that the complaint be upheld. He said RBS has accepted it was at fault for the delays and paid Mrs C fair compensation. He said RBS had shown that although Mrs C was without a debit card for some time, she had used her card to withdraw cash in May 2022 and then a new card was ordered and sent to the branch for collection in November 2022, but RBS didn't know if Mrs C picked it up.

The investigator said RBS's records show it sent a code to reactivate Mrs C's online access to her home address against her wishes. He said its provision of a new PIN and card weren't resolved until October 2023. The investigator couldn't comment on Mrs C's experience in branch, but call recordings showed her frustration and some conversations were difficult. He said RBS's staff were professional and tried to explain the security requirements to Mrs C. He requested details of her branch visit and set out the additional support RBS can offer.

Mrs C disagreed with the investigator and said he had been disrespectful by laughing during their phone conversations. She requested an ombudsman review her complaint.

The investigator said he would consider other conduct by RBS and its staff and requested details of the approximate dates and times of calls or branch visits so we could request records from RBS. He said Mrs C had mentioned she had her own voice recordings and he said he will review them if she sends them in. He said he hadn't been laughing on their calls.

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.

Mrs C said if she had been able to access her account she could have transferred money to a savings account to earn interest. She also feels bank staff have at times been rude to her and said on one occasion they threatened to call the police to remove her from a branch.

I was sorry to see Mrs C was unable to gain full access to her account because she didn't have a working card and PIN despite her requests to RBS. And sorry to learn about the serious ill health Mrs C has suffered. It's a shame to see that what should have been a straightforward card issuing process has turned into a prolonged and drawn-out experience. But I am pleased Mrs C has confirmed she now has a working debit card and PIN and online banking.

In response to the investigator's view of her complaint, Mrs C said 'the point of having someone like you in the ombudsman is to show more solidarity with complaints than the banks'. Our service was created by Parliament to be impartial between consumer and business. We must not favour one side over another, and we reach decisions based on what we think is a fair and reasonable outcome from the available evidence. Part of my role is to determine whether a business has followed the process correctly, and if not what redress would be appropriate. When we reach a decision, we realise that one party will be disappointed, but we hope they will understand our reasons for the decision.

I'm pleased that RBS has apologised to Mrs C for taking too long to resolve her card and online access issues. I think if RBS had taken greater ownership of the problem, it would have provided a speedier resolution.

Mrs C said the delay cost her lost interest on her savings. Because Mrs C's account was active at all times, albeit she had no online access, she could still have instructed RBS to transfer money to a savings account. This could have been achieved for example, by letter or by her visiting a branch. And so, I don't think that the delays Mrs C experienced prevented her from earning interest on her money. This means that it would not be fair for me to award compensation for savings interest that she might have earned.

Mrs C said she was disrespected and bullied by RBS staff. With regards to Mrs C's visit to the branch, the only notes about this from RBS do not include a record of conversations that took place. Our investigator requested Mrs C provide the date of the visit and branch, and her recordings of the conversations. Mrs C has sent video but not call recordings or other information. The video shows that the branch staff were busy but not that anyone treated Mrs C with disrespect.

We have recordings of two calls between Mrs C and RBS which I have listened to, and I agree with the investigator that Mrs C is clearly frustrated with the call handler's adherence to RBS's security procedures. However, the call handlers are not rude and remain professional in their communications. I haven't seen anything to support Mrs C's complaint

about the way she was spoken to by RBS staff and so I am unable to uphold this aspect of her complaint.

I have moved on to considering the compensation RBS has paid Mrs C for the delays and poor service she received concerning her debit card and online access. When we make awards of compensation we are not looking to fine or punish a business but to identify an amount that fairly and reasonably compensates the consumer for the wrong that has been done.

Having considered all aspects of the service RBS provided and the acknowledged delays, I have reached the view that its award of £300 compensation is fair and reasonable in the circumstances of this complaint. Compensation of £300 is what we regularly require banks to pay in complaints with similar circumstances to Mrs C's.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 5 August 2024.

Andrew Fraser
Ombudsman