

The complaint

Mr W complains about National Westminster Bank Plc (NatWest) in that they replaced his debit card without notice, leaving him without card access to his account for over two months. Mr W says this had a significant impact on his life.

What happened

In March 2023, after NatWest decided to change their debit card service provider, they automatically replaced Mr W's card, sending the new card to his local branch as per an historic agreement, and they sent a notification of this to his address. Mr W was at the time shielding from Covid at another address so did not receive the notification and therefore the card was not collected.

Unaware of what had happened, Mr W tried to use his existing card but without success, so he contacted NatWest to order a replacement which he was told had been actioned. Unfortunately, due to an error by NatWest, a replacement was not ordered, and despite further requests, a replacement card wasn't sent to Mr W until over two months later meaning he had no card access to his money for that period.

Mr W said this was a method of accessing his account that he used frequently and as a result of the errors, he was severely inconvenienced. Mr W complained to NatWest explaining what had happened and they upheld his complaint apologising for the distress and inconvenience caused. They went on to say they could not ascertain why Mr W's requests for a replacement card were not actioned however, they credited Mr W's account with £80 as compensation.

Mr W then responded to NatWest's final response letter with more information as to the impact of their errors. As a result, NatWest issued an amended response in which they acknowledged Mr W's information and feelings, assured him that they recorded his comments with an aim to improve their service, and credited Mr W's account with a further £70.00 for the trouble and upset they had caused.

Remaining unhappy, Mr W referred his complaint to our service and our investigator liaised with NatWest. Soon after, NatWest issued a revised summary of the events and amended their compensation offer. They offered a further £100 bringing the compensation total to £250 and they ended their offer by reassuring Mr W that feedback regarding the service he received had been provided to their senior management team.

Our investigator contacted Mr W with this summary and offer saying they regarded it as fair and asked if Mr W accepted it. Mr W responded to our investigator rejecting the amended offer and asked NatWest to provide further reassurance there would be no repetition of what happened to him.

Due to correspondence not being received, no action was taken within the complaint until Mr W chased it up a few months later and it was decided that the investigator would conduct a full investigation. Soon after, our investigator issued their view on the complaint, summarising that NatWest had not treated Mr W fairly. They provided a thorough record of

what had happened to Mr W and NatWest's actions, and said they felt that NatWest should pay Mr W a further £150 which would give a compensation total of £300. NatWest responded to say they accepted our investigator's view however, Mr W did not. Mr W reiterated he wanted further assurance from NatWest and also suggested that some kind of penalty be raised against NatWest to make them aware of what he regarded as the dire consequences suffered by him.

Our investigator responded by saying they agreed Mr W had been treated unfairly by NatWest, that our service cannot ask NatWest to change its processes, and asked if Mr W was happy to accept NatWest's revised offer.

Mr W rejected the revised offer and asked for the complaint to be passed to an Ombudsman. He said whilst compensation was not the primary reason for requesting the investigation, he wanted NatWest to understand the inconvenience. Mr W went on to reiterate NatWest should change their process, and asked if there was some way of penalising NatWest so they will take preventative action of this event reoccurring.

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 have looked at the information NatWest has supplied to see if it has acted within its terms and conditions and to see if it has treated Mr W fairly.

If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach.

I was sorry to learn that what should have been a straightforward process has turned into a prolonged and drawn-out experience. Part of my role is to determine whether what took place was reasonable and whether NatWest followed the process correctly.

What's not in question is that errors were made; specifically, Mr W not being aware of the debit card change, and the significant delay in providing Mr W with a replacement. I'm satisfied that within NatWest's apologies and the actions they took to put Mr W back to his original position, they treated him fairly.

I did want to apologise for the length of time it has taken this service to investigate the complaint too, acknowledging that it is over a year since Mr W brought this to us.

Mr W has asked several times for NatWest to make changes to their card replacement process, and for further reassurance that they will not repeat these errors in future. Our service can't tell a business to change its process, but after identifying errors made by NatWest and that they have said they have processed them as feedback, including to senior management, giving reassurance to Mr W several times, I'm satisfied in this regard. Mr W has also said that he wants us to suggest compensation to penalise NatWest. It is not our role to penalise or punish businesses, that would be proper to the Financial Conduct Authority, and punitive damages would be something a court might consider.

As an informal dispute resolution service, we consider awards according to what we consider to be a fair and reasonable reflection of the impact the distress and inconvenience has had upon the consumer. And so what I wanted to understand was the impact on Mr W of NatWest's errors, whether their offer is considered as fair, and also look at it through the lens of this service's compensation guidelines and similar cases. I appreciate that Mr W has said

that monetary compensation was not his main reason for raising this complaint but in view of Mr W highlighting on several occasions the inconvenience he suffered, I would like to say that I do feel that the total of £300 is a fair representation.

I can fully understand how frustrated Mr W would have felt with NatWest and taking into account all the circumstances, as I've stated, I believe their compensation payments and offer fully represents the far-reaching impact of NatWest's actions.

My final decision

For the reasons I have given it is my final decision that the complaint is upheld. I require National Westminster Bank Plc to pay Mr W £300 compensation in total (less the amounts it has already paid him) for the impact of its poor service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 1 October 2024.

Chris Blamires
Ombudsman