

The complaint

Mr S complains that National Westminster Bank Plc sent personal information about his credit card account to a third-party by text message.

What happened

Mr S updated his mobile phone number using the NatWest mobile banking app. But while his current account was updated, his credit card accounts weren't. As a result, a text alert about the status of Mr S' credit card account was sent to the old mobile number.

Mr S says his old mobile number now belongs to his mother. And there has been a breakdown in their relationship as his mother is now aware of his financial circumstances. So, he complained to NatWest.

NatWest accepted that Mr S' mobile number had not been updated on his credit card accounts. It apologised and credited Mr S' account with a £150 compensation payment for the distress and inconvenience caused. Following further correspondence, NatWest awarded Mr S a further £100 compensation (£250 in total).

Unhappy with the outcome, Mr S referred his complaint to this service. At this point, when responding to our enquiries, NatWest said that personal current accounts and credit card accounts are managed by different departments. So, when Mr S updated his current account details in the banking app, this would not have automatically updated his credit card records. It said Mr S would have needed to update his credit card account records with the credit card department separately.

One of our investigators looked into Mr S' complaint, but he didn't uphold it. He thought NatWest should have checked Mr S' account holdings when he updated it with his new mobile number. And that had it done so, it would have been aware that Mr S also held two credit cards accounts. But overall, he felt the £250 compensation NatWest had already awarded was fair.

Mr S didn't accept this outcome. He pointed out that he had updated his mobile number in the app – not via a member of staff. He also said that some personal details the investigator had mentioned in his outcome letter - which had been provided by NatWest, were incorrect. And he added that his mother had previously agreed to help him financially while he set up a business. But now she was aware of his financial circumstances, she had withdrawn her support. Mr S said he was in financial difficulty and couldn't afford payments to his creditors.

The investigator made further enquiries with NatWest. It acknowledged that some information it had provided to this service about Mr S' circumstances weren't accurate. It also acknowledged that Mr S wouldn't have been aware – when updating his mobile number in the app, that he would need to contact the credit card department separately. But it said it had considered this when agreeing to the overall compensation award it offered Mr S.

Ultimately, the investigator remained of the view that £250 compensation was fair in all the circumstances of this complaint. Mr S didn't agree. He thought a more substantial compensation payment was warranted and that NatWest should extend the interest free period on his credit card to enable him to get back on top of his finances.

As agreement wasn't reached, the complaint has been passed to me.

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.

Having done so, I have reached the same overall conclusion as the investigator, although I will provide more context. I know Mr S will be disappointed, so I'll explain why.

I can see why Mr S was upset when NatWest sent a text to a mobile phone number that no longer belonged to him. – particularly because it has led to personal difficulties with his mother.

Firstly, I must explain at the outset that I can't make a finding about whether NatWest breached data protection laws when it sent a text alert to an old mobile number. That's a matter for the Information Commissioner's Office, not this service. I can, however, look at whether NatWest did anything wrong or treated Mr S unfairly. And, if so, I can look at the impact any mistake had on Mr S.

NatWest initially said it had made a mistake in not updating Mr S' credit card records when he updated his details in the mobile banking app. But it later said Mr S would have been required to notify the credit card department separately as current account and credit cards are managed separately.

I've looked at NatWest's website and I've seen that this says under '*how to change my personal details*' this has to be done in branch or over the phone. So, I don't think NatWest did anything wrong when it didn't update Mr S' phone number on his credit card accounts when he made the change to his current account in the app.

But NatWest has acknowledged that when updating his details in the app, Mr S wouldn't have been made aware that his credit card accounts wouldn't be updated and that he needed to contact the credit card department. I'm persuaded that if this had been made clear to Mr S, he would have called the credit card department to update his credit card records. It therefore follows, that I'm persuaded the text message would have been sent to the new mobile number rather than the old one. So, I find compensation is due for the distress and inconvenience caused as a result.

But for me to make an increased award in this case, I need to be persuaded that the problems Mr S has told us about are quantifiable, a direct result of a mistake on NatWest's part and were reasonably foreseeable consequences of that mistake. So, I've thought carefully about this.

I accept that some distress and inconvenience would be incurred when a text alert is sent to the wrong contact number. And I've no reason to doubt that in this case, as the text was sent to Mr S' mother, it has caused upset between them resulting in a breakdown in their relationship. But I don't think it would have been reasonably foreseeable to NatWest that Mr S' mother would withdraw her financial support in the way Mr S had outlined. So, I can't award compensation for any loss Mr S has suffered because of his mother withdrawing financial support.

Having considered all the circumstances of this complaint, I find the £250 that NatWest has already paid Mr S fairly reflects the reasonably foreseeable distress and inconvenience Mr S has experienced.

I note Mr S has mentioned that he is struggling to meet his payments to his credit card because of what has happened. And that he doesn't think his vulnerabilities have been taken into account. But I've seen that NatWest has agreed to send a referral to its customer support team to see how it may assist Mr S with his vulnerabilities. And I think it's for Mr S to contact NatWest with his income and expenditure breakdown. This will allow NatWest to discuss with Mr S how best it can help him get his finances back on track given it has an obligation to treat Mr S' financial circumstances positively and sympathetically. If Mr S contacts NatWest in this respect and is dissatisfied with the support it offers, that will be the basis of a new complaint.

My final decision

For the reasons given above, I do not uphold this complaint – in the sense that NatWest has already awarded fair compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 December 2024.

Sandra Greene
Ombudsman