

The complaint

Mr G has complained National Westminster Bank Plc managed his fraud claim poorly.

What happened

In May 2020 Mr G saw a number of transactions on his credit card account that he'd not made. These were mostly to retailers for products with a trial period or a similar nature.

NatWest refunded the transactions and confirmed they'd send a form for Mr G to sign and return. They also raised the transactions with the merchants. Some of these disputed Mr G's stance.

Two further fraudulent transactions were carried out which Mr G disputed with NatWest. Although Mr G was initially refunded, NatWest subsequently re-debited his account. Mr G had never received any form to fill out and was concerned NatWest had taken no action to limit the affect of fraudulent activity on his account.

Despite earlier attempts to sort things out with NatWest, Mr G felt he had no alternative but to engage solicitors to help him. His solicitors then spent more than four hours trying to resolve issues with NatWest.

NatWest paid Mr G £125 in compensation for the trouble caused along with £10 for his travel costs. They also refunded money for two disputed transactions on a current account Mr G held jointly.

Mr G remained unhappy with the service he'd got and NatWest's ability to manage fraud on his account. He brought his complaint to our service and was looking for NatWest to settle his legal costs.

Our investigator understood the frustration Mr G must have felt with what had happened but didn't believe it would be fair to ask NatWest to do anything further.

Mr G remained unhappy and asked an ombudsman to consider his complaint.

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've reached a slightly different outcome to our investigator. I've explained this already to NatWest and explain below my reasoning.

There's no dispute Mr G was a victim of fraud. Unfortunately NatWest is unable to assist in helping Mr G understand how this happened. I suspect it's something as simple as his card details being obtained fraudulently and used by dodgy retailers. Some of the disputed transactions were for retailers which offer free trials and make it difficult for these to be cancelled.

It took until September 2021 until the final £1.25 was refunded but all the money from the fraudulent transactions has now been fully refunded.

Our investigator rightly explained that she can't criticise NatWest for having certain procedures in place to manage fraud claims. However I can see how irritating – and unexplained – it must be when two lots of forms sent to Mr G are never received in the post. Mr G does receive some correspondence on this issue from NatWest by email so I also wonder why it wouldn't have been much easier for them to just email him.

I also appreciate the issues that arose when Mr G's solicitors tried to resolve issues by phone. Four hours during which there was a large amount of time spent hanging on and a mix-up with another customer doesn't sound great. It'll be no surprise to Mr G that banks are on occasion criticised for the service they provide when customers report and try to get resolved their fraud claims. However it's not my role to tell banks what systems they need to put in place to manage their customer relationships.

That said I can look at the impact their existing operations have on the individual customer who's brought a complaint to our service. I cover this aspect below under putting things right.

Mr G has asked us to get NatWest to refund his legal costs. I appreciate Mr G was worried about what was happening with his account and concerned that NatWest wasn't dealing with this properly. He didn't ask his solicitor to get involved until after he got the first final response from NatWest so it could be argued that he had tried to deal with it himself but had found this hadn't worked.

However our service doesn't generally refund legal costs unless there are specific reasons that these have arisen. In this case, Mr G had already been refunded practically in full by NatWest so his issue wasn't about ensuring the refunds but about getting answers to questions he felt were outstanding. Overall I don't think it would be fair to ask NatWest to refund Mr G's legal costs of £1,000 when there was so little actual loss outstanding.

Putting things right

NatWest paid Mr G £125 (firstly £75 and then a further £50) in compensation in September 2020. I don't believe this takes into account Mr G's personal circumstances – his age, depth of feeling about what had happened, promises of forms being sent but never received – sufficiently. I've told NatWest I believe a further £100 should be paid to Mr G to compensate him fairly. They've not provided any further comment.

My final decision

For the reasons I've given, my final decision is to instruct National Westminster Bank Plc to pay Mr G £100 for the trouble caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 22 March 2022.

Sandra Quinn
Ombudsman