

The complaint

Mr S is unhappy with the service he received from National Westminster Bank Plc after he requested a new bank card.

What happened

Mr S mislaid his NatWest debit card. He contacted the bank to cancel the card and request a replacement. Mr S was overseas at the time and NatWest said it was unable to send his replacement card there. So Mr S asked the bank to send his replacement card to a UK address. Mr S said there also were problems with NatWest accepting his security responses during calls as he wasn't aware he still had a very small balance on an old account.

The replacement card didn't arrive and a second card also failed to arrive. Mr S said he had to return overseas and he gave NatWest another UK address to send a card to. Mr S said that card took a month but he didn't receive the PIN until later. He felt it would've been easier if NatWest had sent his new card to a branch but he was told that wasn't possible.

Mr S says NatWest should've checked the addresses it was sending his replacements to more carefully. They couldn't all have been lost in the post. He'd been caused a great deal of inconvenience and the £50 compensation offered wasn't acceptable. He hadn't been able to use his account for about six months and had missed out on the chance to buy some kitchen units. Mr S had also been forced to travel back and forth trying to resolve the problem and he believes the bank's mistakes has cost him around £2000.

NatWest apologised for any trouble or upset caused to Mr S. It could see Mr S had difficulty passing the security questions due to a very small remaining balance on a savings account. And it'd credited Mr S with £50 for any trouble and upset. NatWest said the cards had been sent to the addresses provided by Mr S but unfortunately seemed to have been lost in the post. And it didn't feel it'd done anything wrong.

Mr S wasn't satisfied with NatWest's response. So he contacted our service and our investigator looked into the matter. Our investigator felt NatWest had acted correctly when asking Mr S security questions before discussing his financial matters. Although Mr S wasn't aware he still had a very small amount of money in a savings account, NatWest hadn't been asked to close the account. And it wasn't unreasonable to ask a customer how many accounts they held with it as part of the security checks.

But our investigator appreciated how frustrating the whole issue must've been for Mr S. NatWest's records showed a number of replacement cards had failed to arrive at either of the addresses provided by Mr S.

The records suggested two of the cards had been sent to a slightly different flat number, and there did seem to have been a mix up at some point.

Overall our investigator didn't think the address issues were the fault of NatWest. But although a replacement card would normally only have been sent to a branch in exceptional circumstances, our investigator felt NatWest should've done more to help Mr S.

And he said NatWest should pay Mr S an additional £150 compensation for the distress and inconvenience caused.

NatWest accepted our investigator's view, but Mr S felt the compensation should also include his travel and hotel costs because of the extra journeys he'd had to make. And he's asked for an ombudsman's final decision.

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 can see our investigator has provided a thorough timeline in relation to the card requests, so I won't repeat all of that here.

But it's clear Mr S became increasingly frustrated by the bank's attempts to deliver a replacement card for the one that'd been lost. So I've looked very carefully at everything that's happened, and whether NatWest needs to do anything more to put things right.

When Mr S lost his debit card he was staying overseas. And although NatWest was able to cancel the lost card, it wasn't able to send a replacement to him. That's not unusual, as banks are concerned about sending financial information overseas and the bank would've felt there was an increased risk to send the new card to his current location.

I understand Mr S kept failing his security questions as he was unaware NatWest still had an open savings account in his name – even though it only had a very small balance. I appreciate this would've added to Mr S's frustrations, but I can't really say NatWest did anything wrong here.

Its important customers are able to correctly answer questions about, for example, the number of accounts they hold with a bank. This helps safeguard both the customer and the bank from potential fraud.

When Mr S returned to the UK he visited a branch to request a replacement card to a UK address, but it failed to arrive. And a second branch visit and further card request failed to resolve the problem.

There seems to have been an issue with the address used by NatWest. Mr S had provided the address of a large property that'd been converted into flats. And it seems the flat details may have been misheard, as the mistaken letter and number sound very similar. This would explain why the confusion continued when Mr S confirmed the address on the telephone at a later stage.

In any event, both cards failed to arrive at the UK address provided by Mr S and he had to suggest a further UK address to NatWest. Again Mr S was told that his replacement card would normally arrive within 3-5 working days. But the card took a few weeks and the PIN letter arrived even later.

I do understand Mr S's frustration. Although there are other ways of accessing an account, Mr S isn't used to online banking and he found it very difficult to manage without his debit card for a number of months.

Mr S is adamant he gave the bank the correct address details for the flat. But the bank believes it had the correct details and says there must've been a problem with the postal delivery.

I haven't been able to listen to all of the calls between Mr S and NatWest. And I can't be sure exactly what was said when Mr S visited the branch. But I can see it would be easy to mistake the letter and number used in the initial address. They sound similar and when confirmed by phone it's possible either or both parties thought they had heard the correct details.

I've not seen anything to suggest NatWest didn't send the replacement cards when Mr S requested them. But the first two cards didn't arrive as expected. And the card sent to the second address took longer than expected to arrive.

I appreciate it would've inconvenienced Mr S to have to return to the UK to try and sort this out. But I can't really hold NatWest responsible for the non-delivery of Mr S's cards. That's something that was out of its control. And there isn't enough information to be sure exactly if and why there was a small mistake in the address used by the bank.

But I do agree with our investigator that NatWest could've considered using branch delivery after the first two deliveries failed. NatWest says it only allows branch delivery for new cards in exceptional circumstances. Its normal procedure is to deliver the card and PIN separately to the customer address it has on file.

The initial problem with security questions caused by an old account that Mr S was unaware of may have delayed matters further. But Mr S would want his bank to follow its procedures properly to ensure his bank account and money was held securely.

I'm sure Mr S understood why the bank might not want to send his replacement card overseas. And it wouldn't be fair to hold NatWest responsible for any problems with mail delivery. But I do think it could've done more to help Mr S obtain a new card when it was becoming clear there was a problem. And I think it's reasonable for NatWest to compensate Mr S for the trouble and upset he's been put through.

NatWest could've given Mr S a better service than he received. Although the bank would normally only arrange for a card to be sent to a branch in exceptional circumstances, I think it should've considered how difficult Mr S was finding it to obtain his new card and use his account again.

Putting things right

I recognise the inconvenience Mr S has been put to and the distress caused while trying to get a replacement card. I've carefully considered everything Mr S has said. And I've looked at the records and information provided by NatWest. But I can't ask NatWest to cover the cost of Mr S's travel from overseas. That wouldn't be fair.

I realise Mr S will be disappointed with this outcome. But based on everything I've seen I think our investigator's suggestion of an additional £150 compensation for Mr S's trouble and upset is the right amount in the circumstances.

My final decision

My final decision is that National Westminster Bank Plc should pay Mr S an additional £150 compensation for his trouble and upset.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 18 March 2022.

Andrew Mason
Ombudsman