

The complaint

Mr W and Mrs W complain about an incorrectly addressed statement sent by The Royal Bank of Scotland Plc (“RBS”).

What happened

The details of this complaint are well known to both parties, so I won’t repeat them again here. The facts are not in dispute, so I’ll focus on giving the reasons for my decision.

On 31 January 2022 I issued a provisional decision. This is what I said.

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 decided on a higher compensation award and for different reasons to the investigator.

I must start by saying that Mrs W wanted a compensation award of £25,000 in this complaint and I believe she may have arrived at this figure after getting legal advice. As a service our awards are more modest than that of the courts. Having said that, I do think the amount needs to be increased. I’ll explain why.

When RBS sent the statement to Mr W and Mrs W in the incorrect name and Mrs W’s daughter found it, it forced Mrs W to make a decision whether to tell her daughter about how and why a different surname had been used for Mr W. Mrs W has told us how stressful this situation was for her given the reason for the name change originally - and this is why I think an increase in compensation is due.

I have considered Mrs W’s request for a much higher award and I don’t think it’s justified. I say this firstly as the reason and background regarding the name change could’ve come out later and by other means. For example, Mr W may have decided he wanted to tell his sister the reason himself.

I’ve also thought about the situation Mrs W was in when the mistake was made and although the error was caused by the bank, Mrs W chose to explain the background to the error to her family – rather than just saying it was the bank’s mistake. I say this as Mrs W had kept the information private from her daughter up until this point and she did have an opportunity to continue to do so here.

RBS did acknowledge the error, correct it and put measures in place to prevent it happening again. This is what we would expect of a business in these circumstances. I can see it’s not happened again, so it looks like an isolated incident.

But as I’ve explained above. I think the fact that Mrs W was put a position of having to choose what to tell her daughter, through no fault of her own, must’ve been a stressful and difficult decision to make. And for that reason, I intend to ask RBS to increase its compensation amount to £750.

Reponses to my provisional decision

RBS didn't have anything further to add.

Mrs W responded by telling me more in-depth information about the impact the error had on her daughter and family. Mrs W sadly told me her daughter attempted to end her own life after finding out the news about her brother. For this reason, Mrs W didn't think the compensation amount I'd offered was high enough. Mrs W went on to say that she had only recently been able to return to work, due to the stress this situation had caused her.

Mrs W also said that my provisional decision suggested she lie to her daughter. She went on to say that it's very different to lie to someone as opposed to keeping something from them to protect them.

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've thought about the information Mrs W has shared and I wanted to thank her for being so honest and say I'm sorry for what her and her family went through.

Having thought carefully about what impact the information Mrs W shared has on the compensation amount, I'm sorry to disappoint Mrs W, but I'm not going to increase the amount. I'll explain why.

When RBS made the error by sending the statement in the incorrect name, it wasn't foreseeable that it would have the impact on Mrs W's family that it has done. So, I am satisfied the key issue for RBS to compensate for is the position it put Mrs W in deciding how to tackle the question she was asked about her son's previous last name.

Mrs W has said that she didn't want to lie to her daughter as my decision had suggested. I'm sorry that she felt that's what I was implying, but I can assure her that wasn't the case. By explaining the bank had made an error, she was simply pointing out what had happened. The choice to then go on to explain the background to the error was a choice Mrs W made. And while I am not concluding this was the wrong thing to do, I am merely pointing out there were other options available - but I appreciate Mrs W felt this was the right decision for her.

It's worth noting that I can only award compensation to Mrs W and her son Mr W. They are the only two eligible complainants here, as they are the account holders and have the relationship with the bank. So, any award I make wouldn't include the impact on Mrs W's daughter.

Putting things right

In summary and having considered all the information available to me, I'm satisfied that Mrs W should be awarded the £750 mentioned in my provisional decision. The mistake made by RBS clearly had a big impact on Mrs W when it was discovered and put her in a difficult situation with her family – and I'm satisfied she should be compensated for that.

My final decision

My final decision is that The Royal Bank of Scotland Plc pay Mr W and Mrs W £750 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W and Mrs W to accept or reject my decision before 17 March 2022.

Tom Wagstaff
Ombudsman