

The complaint

Mr M complains that National Westminster Bank Plc processed a payment to his credit card without his authority. He is also unhappy with the service he's received.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In 2020 Mr M was in dispute with his motor insurance provider, a firm I'll refer to as 'L'. As part of L's complaint response, they credited Mr M's NatWest credit card with a £50 compensation payment. The payment credited Mr M's card in November 2020.

Mr M complained to both L and NatWest. Part of Mr M's complaint about L was that they shouldn't have made the payment to his credit card. The complaint about L has already been decided by one of my Ombudsman colleagues and wasn't upheld. The Ombudsman concluded that LV had acted fairly and that they didn't need to do more.

Mr M was unhappy that NatWest accepted a payment onto his credit card without his authority. He was also unhappy with some of the customer service he received which included one of NatWest's staff failing to disclose more than their first name to him. Initially NatWest didn't uphold the complaint and it was referred to our service.

NatWest then made an offer of £75 compensation to settle the complaint. Ultimately one of our Investigators recommended that the complaint should be upheld, concluding that NatWest's offer was a fair way to resolve matters. Mr M didn't accept this and asked for an Ombudsman to make a 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.

Mr M's strength of feeling about his complaint is clear from his submissions and the phone calls that I've listened to. But I think it would be useful to make clear that the Financial Ombudsman Service is an informal dispute resolution service and an alternative to the courts. We aim to resolve complaints with minimal formality.

With that in mind, I don't need to conduct a forensic analysis of what has gone on between Mr M and NatWest. I've considered everything Mr M has told our service, but I'll be keeping my findings to what I believe to be the crux of his complaint. This isn't intended as a discourtesy and is just a reflection of the informal nature of our service. If Mr M decides not to accept my decision, it won't be legally binding and he will be free to continue his dispute with NatWest through other avenues (such as the courts), should he choose to do so.

Having carefully considered everything I don't think NatWest did anything wrong when processing the payment to Mr M's credit card account from L. I don't agree that there was a risk in them doing so. It's also reasonably common for credits, refunds or (as in this case) complaint compensation payments to be made in this way. So I don't think NatWest ought to have questioned this or done more prior to processing the payment. And when Mr M raised this, I think it was fair for NatWest to tell Mr M this was something he would need to take up with L.

Because I don't think there were any failings by NatWest in relation to the payment to Mr M's account, there isn't any reasonable basis upon which I can tell them they need to liaise directly with L to arrange the return of the funds as Mr M would like.

Mr M was also unhappy with the service he received from NatWest whilst they were dealing with this matter. Unfortunately, NatWest haven't been able to share call recordings to hear exactly what was said. But I've considered the call notes made at the time as well as what Mr M has told us.

NatWest themselves accept that the service they provided wasn't of the standard they usually aim for. So it isn't in dispute that there was some poor service. However, I think the £75 compensation NatWest have offered is a fair way to put things right for the impact of the poor service Mr M received in relation to this matter. I'm aware that Mr M has told our service that he doesn't want any money from NatWest. And as I've mentioned above, he is under no obligation to accept my decision, but I'm still going to direct NatWest to pay the compensation they've already offered. This way should Mr M change his mind, the option remains for him to accept the decision and therefore the compensation from NatWest.

My final decision

For the reasons outlined above, my final decision is that I uphold this complaint in part. Unless they've already done so, National Westminster Bank Plc should pay Mr M £75 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 February 2023.

Richard Annandale
Ombudsman