

The complaint

X complains about National Westminster Bank Plc's (NatWest) errors and service when X switched X's bank account to them.

What happened

There are 4 strands to X's complaint, following X switching X bank account from Bank A to NatWest in August 2023.

The 4 strands are:

1. There was a delay in sending X's new account details
2. There was a delay in sending X's PIN for his new debit card
 - This left X in a very difficult position as X was unable to make purchases including a train ticket to travel to X's new job and this meant X had to borrow money for approximately 2 weeks
3. Two direct debits went unpaid:
 - This had a detrimental impact on X's credit score and application for X's first credit card
4. There were delays when trying to speak to representatives and receiving responses

X complained to NatWest about X's time, trouble, embarrassment and stress caused by the above.

NatWest apologised and offered X £50 compensation for the problems X encountered and poor service.

X brought X's complaint to our service. Our investigator didn't uphold strand 1 or 3 but upheld strand 2 and 4 and said NatWest should pay X an additional £100 compensation.

However, X remains dissatisfied, and X's complaint has been referred to me to look at.

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'm also partially upholding this complaint and I'll explain why I'm also only upholding strands 2 and 4.

I will focus on what I think are the important points to reach a final decision. But I've carefully considered all the points X has made, even if I don't specifically address them all.

Strand 1

Having reviewed NatWest's system report I'm satisfied that they opened X's account on 23 August 2023, and I've seen a copy of the letter they sent to X on that date. This letter confirmed X's account number and the sort code.

It is unfortunate that X didn't receive this but, from reviewing NatWest's submissions, I'm satisfied that they did send this to X.

I appreciate X was expecting this to be sent by email, but for security reasons banks send account information in letter format and, whilst I recognise there can be reliability issues using a mail service, I don't think this is unreasonable.

Strand 2

As mentioned by our investigator, NatWest have only provided information to show that X's PIN was requested on 29 August 2023. And this appears to be generated after X's branch visit. So, there isn't any evidence that NatWest dispatched a PIN any earlier than this.

From reviewing X's submissions, including X's new job expenditure, I'm persuaded that the PIN delay caused X distress, embarrassment and inconvenience. And, as there isn't any evidence that NatWest dispatched this in a timely fashion, I think they should provide some compensation here. And I'll address this further in my summary.

Strand 3

X's main concern is the impact on X's credit rating due to the non-payment of one or more direct debits.

From reviewing NatWest records, I'm satisfied that NatWest set up direct debits for all those passed to them by Bank A.

I noticed one direct debit, which X says came out of X's Bank A account on 6 August 2023, which appears not to have been passed to NatWest. So, I asked X if X either made enquiries with Bank A, to obtain evidence that they did pass this direct debit details to NatWest, or raised a complaint with Bank A.

I'm very sorry to hear of the impact a direct debit non-payment has had on X, but in the absence of a response from X, I can't see that NatWest have made an error here.

Strand 4

It's clear from NatWest's final response letter that they've had call handling service issues. So, from this and X's submissions, including the necessity for X to visit a branch, I don't doubt that X was inconvenienced trying to get through to their call centre. Also, delayed getting answers from representatives to the above strands. So, I also think they should provide some compensation for this.

Summary

So, having considered the above 4 strands of X's complaint, I'm also upholding strand 2 and 4.

Assessing compensation isn't an exact science and our approach when making awards for non-financial loss is detailed on our website and tends to be modest.

Having considered the impact information on file, alongside our guidance, I think the compensation amount here should be greater than £50.

Regarding strand 2, whilst I appreciate X's difficulties, stress and embarrassment, I took into consideration the length of the impact, X's mitigation and how conclusive it was that NatWest made an error.

Regarding strand 4, I considered that NatWest's call centre issues impacted all customers trying to contact them. And, although long call waiting / response times are frustration and annoyance that customers might reasonably expect from day-to-day life, I found these compounded X's frustration resolving strand 2.

So, having considered these strands and factors alongside our guidance, I agree with our investigator that £150 is a fair and reasonable amount of compensation here.

My final decision

My final decision is that I'm upholding this complaint and I require National Westminster to:

- Pay X £150 compensation less any amounts already paid

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 22 May 2024.

Paul Douglas
Ombudsman