

The complaint

Miss J is unhappy that National Westminster Bank Plc (“NatWest”) cancelled her debit card in error just before she travelled overseas on holiday.

What happened

Miss J has two current accounts with NatWest and had ordered a new debit card on one of the accounts. Miss J was eager to receive the new debit card before she travelled overseas on holiday, and on the day that she was due to travel she spoke with NatWest to ask where the replacement debit card was.

During the conversation, Miss J suggested that the replacement debit card might have gotten lost in the post. Because of this, NatWest’s agent moved to cancel the replacement debit card, but accidentally cancelled the debit card on Miss J’s other NatWest current account instead. This left Miss J without an active debit card.

Miss J was able to transfer some money to a friend who then withdrew it as cash from an ATM for Miss J before she left the UK. But because Miss J didn’t have an active debit card while she was on holiday, she was unable to pay for several items she wanted, and her holiday was severely affected. Miss J wasn’t happy about this, so she raised a complaint.

NatWest apologised to Miss J for what had happened and paid £500 to her as compensation for any upset or inconvenience she’d incurred because of what had happened. Miss J wasn’t satisfied with NatWest’s response and felt NatWest should reimburse the full cost of holiday and pay significant further compensation. So, she referred her complaint to this service.

One of our investigators looked at this complaint. They accepted that Miss J had been affected by NatWest’s mistake and that her holiday had been impacted as a result. But they felt that NatWest’s response to the complaint, including the apology and payment of £500 compensation, already represented a fair resolution to it. Miss J didn’t agree, and so the matter was escalated to an ombudsman for a 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.

NatWest have acknowledged that they made a mistake here in that their agent cancelled the incorrect debit card in error which left Miss J without an active debit card while she was on holiday. And NatWest have apologised to Miss J for what happened and have paid £500 to her as compensation for any trouble or upset she may have incurred as a result.

Miss J doesn’t feel that NatWest’s payment of £500 compensation goes far enough, given the impact of their mistake on her. And Miss J has said that her holiday was effectively ruined and that she continues to feel the effects of NatWest’s error on her mental health.

Only Miss J will know how she has been impacted by what happened on an emotional level,

and I note several detailed submissions provided to this service by Miss J and her doctor in which she describes how she's been, and continues to be, affected by what took place.

I've taken Miss J's testimony in this regard into account. But as an independent and impartial party, I've also considered other factors, including what action Miss J took or could have reasonably taken to have mitigated against the impact of NatWest's mistake. And I've tried to assess from an impartial perspective to what degree Miss J's holiday was affected by her not having access to an active debit card.

To that end, I note that Miss J's holiday was in two parts, with the first part being at an all-inclusive resort, and the second being in a major city. I feel that the fact that the first part of Miss J's holiday was in an all-inclusive resort is important here, as it means that Miss J didn't need to spend money during the time that she was in that resort in the same manner that she might have needed to spend money had she not been in such a resort.

Additionally, Miss J's bank account statements show that she was able to pay for some holiday excursions via online payment. And with regard to the second part of Miss J's holiday, which was in the major city, I note that Miss J made transfers from both of her NatWest bank accounts to a friend on the day that she left, so that she did have some cash while she was overseas.

I also feel that it must be noted that Miss J could have received additional cash which overseas from her own NatWest account via money transfer. And while Miss J has said that she didn't have the money to get to a money transfer broker, I feel that Miss J could and reasonably should have set money aside from the cash she was able to obtain via her friend before she left the UK to travel to a money transfer broker while she was on holiday.

All of which isn't to say that Miss J wasn't negatively affected by what happened here. But it is to say that as an impartial party I don't feel that I can fairly support Miss J's statement that her holiday was 'ruined' to such a degree that NatWest should fairly be asked to reimburse its cost.

This is because Miss J did have some cash when she travelled overseas, initially to a resort where she didn't need much cash, and because I feel that Miss J could reasonably have obtained more cash while she was overseas. And it's also because Miss J was able to pay for excursions while on holiday via online payments.

Miss J is also unhappy that NatWest contacted her while she was overseas about this matter, and she's provided an email chain wherein she asks NatWest not to contact her during her holiday. However, the emails that NatWest sent to Miss J were automated notices that a complaint had been raised and that a response had been issued. And I don't feel that it was unreasonable for NatWest to have wanted to try to resolve this matter for Miss J in a timely manner.

In their response to Miss J's complaint, NatWest paid £500 compensation to Miss J because of what happened. This feels fair to me, and I confirm that it's commensurate with what I might have instructed NatWest to have paid to Miss J, had they not already done so.

In taking this position, I've considered how I feel Miss J was impacted because of what happened, including in consideration of Miss J's testimony and the other factors I've discussed above. Additionally, I've also considered the general framework this service uses when assessing compensation amounts, details of which are on this service's website. And having done so, I feel that a compensation amount of £500 does represent a fair outcome to this complaint.

All of which means that I won't be upholding this complaint or instructing NatWest to take any further or alternative action here. I realise this won't be the outcome Miss J was wanting, but I hope that she will understand, given what I've explained, why I've made the final decision that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss J to accept or reject my decision before 6 February 2025.

Paul Cooper
Ombudsman