

complaint

Mr C complains about the service he received from Tandem Bank Limited (Tandem) when he tried to register his credit card on various websites only for it to fail. Despite calling Tandem and being reassured the issue had been fixed, the problem persisted. Mr C is seeking compensation for his wasted time and effort, Tandem's failure to reply to his complaint, as well an explanation for the problem.

background

The investigator's background summary covered all the relevant facts and is known to both Mr C and Tandem so I won't repeat it in any great detail. Therefore, if I've not mentioned something it's not because I've ignored it, but because I don't think it's relevant to the issues.

In late 2018 Mr C experienced some difficulties when he was trying to register his credit cards on a number of businesses' web sites. He called Tandem and was told by their agents that the problem did not lay with them. The agents Mr C spoke to tried removing all fraud and security checks to check whether the error was theirs, but even though they did that they could find no fault. The agents also thought that the fault could be because the details the merchant had didn't match Tandem's which had then triggered the security system and blocked the transaction. Mr C disputed this explanation and thought Tandem's systems were not fit for purpose.

Tandem did accept that when this type of problem occurs their system will normally send a text message to the customer with a pass code to use, but on this occasion it didn't because of a system error. In the light of that error Tandem offered Mr C £50 compensation.

Tandem also said that they had replied to Mr C by letter on the 15 February 2019 and so didn't accept they had done anything wrong. Mr C was unhappy with Tandem's response and so the investigator looked into the complaint. He thought that the most likely explanation for the difficulties Mr C experienced was that the information the merchant had didn't match that which Tandem held, and as such didn't think Tandem had therefore acted unfairly. But, he thought there had been a failing in the level of service because Tandem had failed to provide a text passcode. As such he thought the compensation offered to Mr C should be £100. As Mr C didn't agree, the complaint has been passed to me for a final decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. The role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where it is appropriate. I'm not the industry regulator, and I don't have power to make rules for financial businesses, direct that they change their processes, or punish them. That is for the Financial Conduct Authority.

I need to consider whether Tandem acted fairly and reasonably in its dealings with Mr C. I aim to address all relevant points with a view to reaching a fair and reasonable decision based on the evidence before me. I take into account both sides' views. But, where evidence is incomplete, inconclusive or contradictory, then I have to come to a decision on the balance of probabilities – in other words, I consider what is more likely to have happened in the light of the available evidence and the wider circumstances of the case.

Mr C told our investigator that the information the merchant had sent was slightly different. This of course means that it was not exactly the same as that which Tandem held, so on the balance of probabilities I think this is the most likely reason for the problem which arose. I understand how this would lead to the difficulties Mr C faced, but that's not the fault of Tandem's systems. So in this respect I can't say Tandem has done anything wrong.

Tandem have also provided evidence that they did send a response to Mr C's complaint in February 2019. I appreciate Mr C did not receive it and I have no reason to doubt him when he says he didn't. Equally I have no reason to doubt Tandem when they say they sent it. So I'm satisfied that Tandem did respond to Mr C's complaint.

Tandem have accepted their failings in so far as not sending out a passcode and have offered £50 compensation to Mr C. I know Mr C feels this is too low and has asked for £500 based on all the time and wasted effort he has had. So, the sole issue is what the correct level of compensation ought to be. I would agree with our investigator that the £50 offer of compensation made to Mr C was too low and that £100 is a more fair and reasonable sum. It is in line with the awards this service would make for distress and inconvenience in circumstances like these, and I think it is enough to put matters right.

my final decision

For the reasons set out above I do uphold the complaint against Tandem.

So my decision is that Tandem Bank Ltd should pay £100 to Mr C.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 27 April 2020.

Jonathan Willis
ombudsman