

complaint

Mrs O is unhappy with the way National Westminster Bank plc dealt with her account when it was accessed by a third party fraudster. She is concerned with the bank's security measures, which she considers inadequate. Mrs O feels National Westminster should have noticed the fraudster's activity as it was out of line with the way she used her account. And she is dissatisfied with the bank's offer of £50 compensation for her distress and inconvenience.

our initial conclusions

Our adjudicator noted whoever undertook the fraud had been able to access Mrs O's telephone banking facility and pass National Westminster's security checks. And the bank had refunded the withdrawals to Mrs O's account within 24 hours of her querying them. It had also assisted Mrs O in setting up protective registration to reduce the risk of her being a victim of identity fraud in future. So overall, the adjudicator didn't think she could ask National Westminster to do more than it already had. But Mrs O didn't agree. She restated her concerns over the bank's security, and said she had asked the bank for an apology. It had still not provided one.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mrs O and National Westminster have provided.

I can understand why Mrs O was distressed to find a fraudster had been able to access her account and attempt to use her identity. But that doesn't mean National Westminster failed to maintain adequate security. As the adjudicator noted, the fraudster was able to pass the security measures in the same way Mrs O would have done if she had been accessing the account herself. And I'm satisfied the bank acted reasonably once it became aware of the problem. It apologised for her distress and inconvenience and offered compensation that isn't unreasonable in the circumstances. Whilst Mrs O says she wants an apology from the bank's chief executive, I don't consider this necessary for a fair resolution to the dispute.

My final decision is that National Westminster Bank plc has made a reasonable offer of compensation. I leave it to Mrs O to decide whether, on reflection, she wishes to accept the bank's offer to pay her £50 in full and final settlement of her complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs O either to accept or reject my decision before 16 September 2013.

Niall Taylor

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.