

The complaint

Miss S's complaint is about the service she received from The Royal Bank of Scotland Plc (RBS).

What happened

Miss S says that she was provided with bad service in regard to her bank card and that when she contacted RBS the information she received was incorrect. She says she had to make several calls and was told different things on each occasion and the incorrect information continued to be given while her complaint was being dealt with. Miss S says RBS didn't care that it had created a situation where her security was compromised.

Miss S says the service she received caused her stress and meant she spent weeks sending emails and letters and on calls trying to understand what had happened with her card.

RBS issued its first final response letter dated 22 February 2023. It noted Miss S's issues as:

1. Receiving a text stating address update when she hadn't updated her address; and
2. That she was told the text would likely have something to do with the post office and that she couldn't log a complaint on the call.

RBS said that a text had been sent to Miss S on 14 February 2023 as a 'return to branch' marker had been applied to her account following statements that had been sent to Miss S being returned to RBS. It didn't think it had done anything wrong in regard to this issue. However based on Miss S's testimony of the call it said she hadn't been provided the correct information as to why she had received the text nor about making a complaint, as she could have logged this on the call. Because of this RBS credited Miss S's account with £100.

Another letter was sent dated 2 March 2023, in which RBS addressed further issues raised by Miss S. It confirmed that her account was safe and could be used as normal. It acknowledged again the incorrect information Miss S had been provided about why she received the text and about logging her complaint. It said that Miss S needed to confirm her address with RBS for the marker to be removed from her account.

RBS issued a further final response letter dated 19 April 2023 responding to the additional points Miss S had raised in response to its previous letters. It confirmed that her card had been marked as cancelled and was no longer active. It noted the stress Miss S had been caused but said it couldn't guarantee that this incident would never happen to her or another person again. It noted that Miss S had asked for a total of £1,200 compensation which it didn't agree to but it did credit Miss S's account with a further £100.

Miss S wasn't satisfied with RBS's responses and referred her complaint to this service.

Our investigator said that RBS had received returned correspondence for Miss S and so she thought it had acted correctly in the actions it took in response to this. She said that Miss S

was provided with incorrect information on the call on 14 February but thought the £200 compensation paid was a reasonable resolution to this issue.

Miss S didn't accept our investigator's view. She didn't think that all of her complaint points had been considered and while the call on 14 February had been investigated, she didn't think that the poor service she received after this and the further issues she had needed to fix had been considered. She said her suggestion of £1,200 compensation was a reflection of the time taken in attempting and re-attempting to resolve the issues, dealing with repeated errors by the bank's systems and incorrect information from RBS staff resulting in repeated contact. She said she experienced considerable distress, inconvenience and worry during this period.

My provisional conclusions

I issued a provisional decision on this complaint. My findings are set out below.

I can understand why Miss S was concerned by the text she received in February 2023 saying that her address had updated and that if this wasn't her, she should get in touch. Miss S hadn't made changes to her account details and so I can understand that the message made her concerned that her account may have been compromised. Miss S called RBS and it was confirmed that RBS had her correct address recorded and that there were no issues with her account. This should have provided comfort to Miss S, but I can understand why at this point she challenged why she had been sent the text.

On the call on 14 February, Miss S was provided with an explanation about why the text might have been sent. However this information wasn't correct and raised more concerns for Miss S about RBS's systems. She then asked to raise a complaint about this process and was told this couldn't be done over the phone. This was also incorrect.

Miss S raised her complaint through the online form and RBS issued a final response letter dated 22 February. This letter explained the reason for the text alert was that a 'return to branch' marker had been placed on Miss S's account due to returned correspondence. Given this, while I appreciate the wording of the text Miss S received raised concerns, I think it reasonable that RBS made contact due to the potential address issue. Had this been clearly explained on the call on 14 February this would have provided Miss S with a better understanding as to why she had received the text and further action may have been able to have been taken at that time to get the marker removed. The letter also confirmed that Miss S should have been able to raise her complaint over the phone. Based on this while I do not find that RBS was wrong to send the text it clearly didn't provide the service it should have when Miss S got in touch. RBS paid Miss S £100 because of this, and I find this reasonable.

Following the February final response letter, Miss S contacted RBS again to ask further questions. I can see she was still concerned about her account and asked for reassurances about her account being safe and operational. These were provided in the letter dated 2 March. The information that was available in regard to what correspondence had been returned was also provided and Miss S was told how she could get the marker removed from her account. I appreciate that Miss S wasn't happy that she hadn't been given more clarity about the returned correspondence and that she needed to make a further call to have the marker removed from her account, but I find RBS did provide a reasonable response to the issues Miss S had raised.

Miss S raised further issues following receipt of the 2 March letter. She contacted RBS on 8 March and says she was told that she had been sent a new debit card on 5 January even though her current card wasn't due to expire. She said the card wasn't delivered and could

have been misused for several weeks. She was also told the card she had in her possession had been marked stolen. I can understand why Miss S feels these issues should have been identified through the initial complaint investigation.

Miss S said the agent told her the marker would be removed and a new card and PIN sent to her address. But the marker wasn't removed as her local branch contacted her to collect her card. She also then received the same text she had previously received. Miss S contacted telephone banking again and the marker was then removed, and a new card issued which she received. Miss S explained that it had taken weeks to get the issue resolved and she felt the bank had made several errors during this period.

RBS sent a final letter dated 19 April in which it confirmed that the card Miss S had noted on her online banking but that she didn't have in her possession had been cancelled on its systems. It acknowledged Miss S's concerns and paid a further £100 compensation.

As I noted above, I find that the initial £100 compensation provided in February 2023 was reasonable for the issues raised at that time. I appreciate that Miss S wants guarantees that certain issues won't happen again but RBS has explained these can't be provided. The outstanding issue is therefore whether I think the £100 compensation paid for the issues raised following the February final response letter is sufficient. I appreciate that Miss S feels a much higher amount should be paid.

Miss S has been caused inconvenience as the marker she was told had been removed from her accounts wasn't and she was then contacted by her branch about a new debit card. She has also been caused distress by her concerns about a new debit card being issued to her without her being aware of this and it not arriving. While I cannot say it was RBS's fault the card didn't arrive and I have nothing to suggest that the card was misused or that Miss S has suffered any financial loss as a result of this issue, I do think it would have been reasonable that this issue would have been identified when Miss S's initial complaint was investigated. I also note that she wasn't aware her existing card had been marked as stolen. I can understand why the combination of these issues led Miss S to have concerns about her accounts. However, I also note that RBS has responded to the issues Miss S has raised in a timely way and provided her with reassurance that her accounts are safe and operational. Taking all of this into account, I do think that further compensation should be paid. I do not think a total of £1,200 as requested by Miss S is reasonable in this case but I think a further £100 should be paid to reflect the number of issues that Miss S has needed to deal with. This will bring total compensation to £300 (of which £200 has already been paid).

RBS accepted my provisional 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.

As I set out in my provisional decision, I find that Miss S hasn't been provided with the service she should have by RBS. While I find that the initial £100 compensation paid in February 2023 was reasonable for the issues raised at that time, and I note the additional £100 compensation awarded by RBS for the subsequent issues raised, I think that further compensation should be paid in recognition of the number of issues Miss S has needed to raise and the distress and inconvenience she has been caused.

In my provisional decision I recommended that a further £100 compensation be paid to Miss S (bringing total compensation to £300) and I set out my reasons for this. As RBS has accepted my provisional decision and no further evidence has been provided in response to

my provisional decision, my conclusion hasn't changed. Therefore, I require RBS to pay Miss S an additional £100 compensation in resolution of this complaint.

Putting things right

The Royal Bank of Scotland Plc should pay Miss S a further £100 (bringing total compensation to £300) in resolution of this complaint.

My final decision

My final decision is that The Royal Bank of Scotland Plc should take the action set out above in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 9 January 2024.

Jane Archer
Ombudsman