



Case Study: Banking

BANKING ADMINISTRATION DELAY RESTRICTS ACCESS TO FUNDS

Themes: Administration error; delay in receiving debit card and PIN; no access to funds; bank effort to mitigate

The complaint relates to a delay in Mr E receiving a debit card PIN number, caused by a banking administration error which left Mr E without adequate funds while on vacation.

In October Mr E requested a new debit card as his existing one was damaged. Initially, the bank provided an incorrect card and, when Mr E approached the bank, the correct card was sent. The re-ordered card was received by Mr E, but the associated PIN number was not.

In November Mr E went to the bank as the advised time scale for receipt of the PIN number had passed. During this visit Mr E discussed alternative options to meet his need to access cash, as he was due to go overseas and was concerned he would not receive the PIN number for his new debit card in time. At that time, the bank offered Mr E £50 for his distress and inconvenience, which he accepted.

With the Bank's advice, Mr E made an international transfer to a family member overseas so that he would have enough funds while he was on holiday.

Mr E left on vacation without having received his new PIN number. When Mr E returned, he again complained to the bank as he felt the £50 compensation already offered and accepted did not cover the inconvenience he had suffered while on vacation. Mr E stated that while he was away, he could not fund three fishing trips without having the use of his debit card to access additional funds from his account. Mr E also said that he believed that the £50 compensation that he had already received was just an initial payment, and that he would get more.

The Bank did not uphold his complaint as they felt they had already provided an appropriate and adequate response to the previous error and the compensation had been accepted by Mr E.

Mr E referred the complaint to CIFO. CIFO investigated and noted that Mr E had accepted compensation and made alternative arrangements upon the advice of his bank to mitigate any concern about access to funds for his planned vacation. CIFO felt that the only compensable loss, which had already been sufficiently addressed, was the initial delay in providing the new PIN number. CIFO did not uphold the complaint.