

## **The complaint**

Mr F has complained on behalf of R that his customers received a warning message that account details did not match when they tried to make online payments to R's bank account with The Co-operative Bank Plc. He's also complained that when he tried to call Co-op he had to wait a long time to get through. And that their live chat function wasn't working.

## **What happened**

Mr F was told by some of R's customers that when they attempted to make an online payment to R's account they were getting a warning message that the account details did not match. He'd never had a problem with this before, so he tried to telephone Co-op about it. He was on hold each time he tried and gave up after 15 minutes. He tried to use the online chat function, but the set questions and answers didn't cover his problem and the live chat wasn't working. Mr F couldn't find an email address or online form other than for making a complaint. So, he complained to Co-op about all of these issues.

Co-op issued a final response to Mr F, but he didn't receive this until much later. They said they'd introduced the name check as a new security feature, but not all banks had done so and they explained this could cause a warning message. But they didn't think anything they'd done wrong was causing a problem. They apologised for the wait times and said they were recruiting new staff. They also apologised for Mr F not being able to use the chat function.

Mr F complained to us on behalf of R and one of our investigators considered his complaint. He didn't think it should be upheld. This was because he didn't think Co-op had done anything wrong in introducing an extra security feature for online payments and it was this that was causing the error messages for R's customers. He said that Co-op had explained what happened. He also said that, whilst the wait times on the phone weren't ideal, they were acceptable in the circumstances. And he felt the fact Co-op were taking positive action to address this meant they'd done enough.

Mr F didn't agree with the investigator and asked for an ombudsman's decision. He explained that he didn't agree a 15 minute wait to get through on the phone was reasonable. He also said that R's customers didn't have a problem previously and the fact they can't pay

money because of a new system introduced by Co-op is not acceptable.

Having reviewed R's complaint, I asked our investigator to check some things with Co-op. He established that the live chat function still appeared on Co-op's website when Mr F was trying to contact them, even though it wasn't working. He also managed to get Co-op to contact their system provider and make an amendment that will now allow R's customer to use one of four name options when making payments online, none of which will produce a warning message.

I issued a provisional decision on 15 February, in which I set out what I'd provisionally

decided and why as follows:

*I agree with Mr F that a wait time of 15 minutes or more to get through to a bank on several occasions in a short period of time is an unacceptable level of customer service. I appreciate Co-op were short staffed and were trying to address the issue, but this doesn't alter the fact it was poor customer service. This clearly caused R inconvenience. This was made worse by the fact the live chat function wasn't working, but was still showing as an option. And by the fact there was no other method of contact available for general enquiries. And I think the inconvenience means R should receive some compensation. I think £100 is appropriate.*

*I think it was reasonable for Co-op to introduce a new security feature whereby the account details entered by the payee need to match those held on Co-op's system, otherwise one of three warning messages come up. This is a feature that most major banks have introduced in an effort to prevent people and businesses falling foul of fraud and scams. So, I think it is a good thing. The system would not have prevented R's customers making payments, but it may have made them concerned about making them due to the message they received.*

*The two messages most likely to cause concern were one that said the account details don't match and one that said the account details couldn't be checked. The latter would only have come up if the payee's bank had not started using the new security system, so this would not have been Co-op's fault. The other message would have come up if the customer used anything other than the actual name shown on R's bank statements. However, provided the customer was satisfied they had the right sort code and account number, they could still make the payment safe in the knowledge it would go to the right account.*

*It seems the name on R's invoice didn't match the details on their bank statement, so this would have caused the second warning message I've mentioned above. However, as I've said, it did not stop R's customers making payments safely provided they made sure the account number and sort code were correct. Co-op have assured us the use of this name should not cause an issue now. And there are three other names that will also now not cause an issue. Our investigator will let Mr F know the four names concerned, so that he can let R's customers know.*

*In the circumstances, whilst I appreciate the new system caused Mr F some frustration due to queries from his customers, I don't think Co-op did anything wrong in introducing it or were responsible for any difficulties R's customers may have had with their own banks. And I think the fact Co-op have now confirmed that four variations of R's names will now not result in a warning message is helpful. This means I don't think compensation for any issues R has had as a result of the introduction of this system is appropriate.*

I gave both parties until 1 March 2022 to provide more comments and evidence. Both parties have now provided further comments.

Co-op have said the webchat wasn't available to business customers and the webchat symbol was never green and saying live chat was available on the business page. They've also said that their call centre staff are office based, so if staff had Covid or had to isolate, this reduced the number of staff available to take calls. And they don't think a 15 minute wait time was unacceptable, given the circumstances at the time.

Mr F has said on behalf of R that he accepts my conclusions. He's added that he thinks it is unacceptable for Co-op not to have some alternative means of contacting the customer service department for business customers. And he has queried why the webchat isn't available to business customers and why Co-op can't provide an email address for

queries from them.

### **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.

I've considered Co-op's further comments and I appreciate the webchat wasn't available to business customers and was never live on the business page. But this doesn't alter my view that this represents poor customer service. This is because business customers wouldn't necessarily know this and they also had no other method of written contact, such as email. This left Mr F with no other option but to call and wait at least 15 minutes. And, whilst I appreciate the circumstances were unusual because of the pandemic, by the point Mr F was trying to contact Co-op it seems it was the summer of 2021, by which time most businesses had adjusted and had contingency plans in place. So – it remains my view that the combination of the lack of any option for written queries and the wait times when calling meant that Co-op provided an unacceptable level of customer service and caused R unnecessary inconvenience.

### **Putting things right**

For the reasons set out above and in my provisional decision, it remains my view that the inconvenience R experienced warrants a compensation payment of £100.

### **My final decision**

My final decision is that I uphold R's complaint about Co-operative Bank Plc and award R £100 in compensation for inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask R to accept or reject my decision before 23 March 2022.

Robert Short  
**Ombudsman**