

## **The complaint**

Miss D complains the Co-operative Bank Plc trading as Smile didn't let her know about changes it would be making to its online security processes. Miss D also complains that the new process isn't safe, that she's had problems with it and that Smile hasn't made reasonable adjustments for her.

## **What happened**

Miss D has an account with Smile with a debit card. She's told us that she's autistic and finds it difficult to remember passwords, particularly long ones.

In July 2022 Miss D wanted to buy an item online using her Smile debit card and was asked for her full password in order to complete the transaction. She says she was surprised by this as she'd always been told not to give out her full password, so she called Smile. Smile confirmed that it had updated its processes and that going forwards she might be asked to give out her full password. Miss D didn't think this was particularly safe and said that Smile hadn't let her know about the changes.

Miss D called Smile after trying to buy the item online to say that she was having problems doing so. After several calls – one of which involved changing Miss D's password to a longer one and one of which involved making sure Smile had changed the password correctly – Miss D was able to buy the item online she wanted to buy. But she was unhappy with several things Smile had said and done and complained.

Smile investigated Miss D's complaints but didn't uphold them. It said that it had made changes to its security processes in order to implement strong customer authentication and that this meant Miss D had to change her password as it was too short. It also said that it had changed Miss D's password to the one she's asked for and that she'd missed one digit out. Miss D had, as a result, been unable to pass security until this mistake was identified. Smile said that it had notified all of its customers of the changes to its processes, and that the changes meant shopping online with its card was now more secure. Miss D didn't agree with Smile and complained to us.

One of our investigators looked into Miss D's complaint and said that they didn't think Smile had done anything wrong. Miss D disagreed and asked for a decision from an ombudsman. So, I looked into her complaint. Last month, I issued a provisional decision saying that I was minded to uphold Miss D's complaint. Miss D was happy with my provisional decision saying that I'd heard and understood her. Smile didn't agree with my uphold.

## **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.

Miss D wanted to buy an item online and was asked for her full password. I accept that she was genuinely surprised when this happened as that's not something she'd been asked for before. Miss D – quite sensibly – called Smile to check that this wasn't a fraud as she'd

always been told never to give her password out in full. I've listened to that call. Smile confirmed that it had updated its security processes and that she would sometimes be asked for her full password. Smile says it notified its customers about these changes in a number of ways. I'm satisfied Smile took steps to notify its customers. Equally, I'm satisfied Miss D hadn't seen any of these notifications at the time, and that she was genuinely surprised.

Miss D called Smile again later on that day saying that she was having problems with her Verified by Visa password as she'd not used it for some time. Smile looked into this and said that her password would need updating as it was 8 digits long and it now needed to be between 12 and 24 digits long. Some of the information Smile gave Miss D wasn't quite right. Miss D hasn't complained about that – she's complained about the fact that she was told she'd need to say what she wanted her new password to be there and then over the phone. She wasn't given the option of being sent a link. Miss D has told us that being asked to disclose her full password to a member of Smile's staff and to decide a password there and then caused her a lot of anxiety and stress. I've listened to the call in question and I accept what Miss D has said. I'm satisfied that she was struggling with the password she already had, and that the idea of having to come up with an even longer one and to do so there and then and disclose it to a member of staff would have caused her lots of anxiety and stress. She also had a meeting later on that day and was under time pressure.

Miss D came up with a new password and disclosed it to the member of staff. Unfortunately, when she gave the password to the member of staff, so that they could type it in, Miss D missed out one digit. I've heard Miss D on another call get her password wrong – again when under pressure. I can, therefore, understand why she was unhappy being put on the spot in the way she was – in the circumstances it's not entirely surprising she missed out a digit. The fact that she did meant Miss D had another unsuccessful attempt at buying the item she wanted to. And that Miss D ended up calling again, at which point she discovered the password the member of staff had typed in didn't have one of the digits she intended. I think all of that could have been avoided had Smile handled the situation appropriately, taking Miss D's circumstances into account. Smile said in response to my provisional decision that I didn't agree Miss D was pressurised into giving a password on the call. Smile has said that the member of staff was patient and sympathetic and didn't put Miss D under pressure. I've thought about what Smile has said, but I don't agree. I'm satisfied that Miss D felt under pressure to come up with a new password there and then.

### **problems Miss D had when she complained**

Miss D complained and asked for a copy of the call she'd had where she'd been asked to change her password to be sent to her. Smile said that if she wanted a recording of the call there'd be a charge. Alternatively, it could send her a transcript which could take up to eight weeks. Miss D wasn't happy with this and asked Smile to send her the outcome of her complaint by email instead. Smile initially told Miss D that this wasn't possible so she asked Smile to send her the outcome of her complaint in a coloured envelope or with writing on the outside so she would recognise the response when it came. Smile said it couldn't do this. Miss D was unhappy with this too, and after complaining more was told that the outcome of her complaint could in fact be emailed to her.

I've listened to the call that the member of staff who was dealing with Miss D had about her complaint, and the call where that member of staff got help on the ways in which the response to the complaint could be sent out. It's clear that Smile is able to send responses to complaints by email and, more importantly, that this is "easy" to do. As I mentioned in my provisional decision, it's unfortunate that the member of staff who was dealing with Miss D didn't know this, that Miss D had to spend quite a bit of time on the phone waiting for a basic request to be agreed and that when the member of staff who she was speaking to confirmed that this could be done that they emphasised that this had been done as an "exception" for

her. They made Miss D feel as if she was asking for something “special” and made her feel she had to push when what she was asking should have been simple and straightforward. I agree with Miss D that the attitude of the response was wrong. Smile has said that responses to complaints are normally sent out by a centralised post room and that its frontline staff don’t have the option of sending responses by email. Smile has said that this is why her request was referred to another area. I accept that an email might have to be sent out by another area, but I remain of the view that I don’t think the way this was approached was right. I would have expected Smile’s frontline staff to have been aware of this option and not to have made Miss D feel as if she was asking for something “special” and made her feel she had to push when what she was asking should have been simple and straightforward.

### **Putting things right**

As I said in my provisional decision, I’m satisfied that Miss D – given the problems she had using her card online (including changing her password) and the problems she had complaining – has been caused avoidable distress and inconvenience. I’m also satisfied that Smile could and should have done more to help her given the problems she’d already let them know she has. Miss D clearly struggles with passwords – and was already struggling with the short one she has. For example, I would have expected Smile to have given thought to a couple of papers that UK Finance has published to help firms come up with ways of authenticating vulnerable customers. Those papers talk, amongst other things, about the difficulties consumers with memory problems or processing problems can have if they’re asked to authenticate based on a “knowledge” factor – in particular based on a password. And they suggest consumers who fall into these groups are offered alternative ways of authenticating. Having seen evidence about the impact the problems had on Miss D, I’m going to award her £250 in compensation in full and final settlement of her complaint.

### **My final decision**

My final decision is that I require the Co-operative Bank Plc trading as Smile to pay Miss D £250 in compensation in full and final settlement of her complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss D to accept or reject my decision before 7 December 2022.

Nicolas Atkinson  
**Ombudsman**