

The complaint

Mr T complains that he's unable to receive a Tesco Personal Finance PLC trading as Tesco Bank One Time Access Code (OTAC) via his landline telephone number.

What happened

The background to this complaint and my initial conclusions were set out in my provisional decision. I said:

Mr T has a credit card with Tesco. Mr T has his landline telephone number registered with Tesco to receive OTACs in order to access his account online.

Last summer, Mr T contacted Tesco as he was experiencing problems when trying to access his account online. Mr T says that when he instructs the online system to send an OTAC to his landline the phone doesn't ring. But Mr T's explained that immediately after he requests an OTAC his landline shows as being in use without ringing. And when Mr T picks up the phone he's told us he only hears a beep, there's no OTAC provided.

Tesco looked into Mr T's complaint and issued a final response. Tesco said it hadn't found any problems with Mr T's phone line and also advised it had withdrawn the OTAC service for landlines.

Mr T referred his complaint to this service and it was passed to an investigator. Within its file submission Tesco advised it had incorrectly told Mr T it was unable to send OTACs to a landline. Tesco confirmed that information was wrong and that the service remained active. Tesco offered Mr T £50 to apologise. Our investigator thought Tesco's offer was a fair way to resolve Mr T's complaint.

Mr T asked to appeal and pointed out he's able to receive OTACs from other credit card providers and offered to send us a video of his attempts to log in with Tesco and the other credit card provider. Mr T explained this would show that he was able to successfully use his landline to receive OTACs from other businesses which indicated the fault lies with Tesco. Mr T's case was passed to me and I asked the investigator to request a video from Mr T showing his experiences when requesting OTACs. I wanted to forward the video to Tesco for investigation and comment. In January 2023 Mr T sent us videos of him attempting to log into his Tesco online banking facility using the landline OTAC.

In the footage, Mr T can be seen requesting an OTAC via Tesco's online system. When Mr T requests the code, his landline phone shows as line busy. When Mr T accepts the call, he received a beeping tone and no OTAC is provided. Mr T also sent us footage of his attempts to use another credit card provider's (V) systems to obtain an OTAC. The footage showed Mr T was quickly able to receive an OTAC from V when using its online system.

Our investigator attempted to forward the footage to Tesco to review and investigate why Mr T wasn't receiving its OTACs via his landline. In March 2023 Tesco requested more footage of Mr T's attempts. Mr T forwarded new footage and this was sent to Tesco. At the beginning

of April 2023 Tesco responded and said that due to a restructure within its technical team, it wasn't possible to review the footage Mr T sent. Tesco confirmed Mr T could use a mobile number to receive OTACs if the landline remained unworkable. Tesco also said Mr T could call it for banking enquiries if he wished.

As Mr T asked to appeal, his complaint has been passed to me to make a decision.

What I've provisionally 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 been reasonably brief in setting out the timeline above as all parties appear to broadly agree about what happened in Mr T's case. In response to the investigator, Mr T has explained that he doesn't have regular access to a mobile phone and relies on his landline for calls and access to the internet. Mr T has explained that as he is generally housebound he uses the landline. And Mr T has explained that Tesco's system used to work to receive OTACs to his landline but unexpectedly stopped working which led to his complaint being raised. Whilst I understand Tesco feels this could be simply fixed, Mr T has confirmed he doesn't have regular access to a mobile phone and doesn't feel it's reasonable for him to be expected to obtain one on the basis of being unable to receive its OTACs. I think Mr T makes a reasonable point.

Mr T has consistently explained that he is well used to requesting and obtaining OTACs via his landline with Tesco and other businesses. Mr T has forwarded us multiple videos that show him attempting to obtain an OTAC from Tesco via his landline. Each time, as Mr T originally claimed, when he presses "call" his landline phone switches to showing as "line busy" but there's no ring tone. When Mr T picks up the line a beeping tone can be heard, but no OTAC is provided. As a counter point, Mr T has also forwarded a video of him carrying out the same process with another credit card provider, V. In this footage, the OTAC is requested in much the same way and is successfully received. So, as a starting point, I'm satisfied Mr T is able to receive OTACs via his landline.

I wanted Tesco to review the footage and investigate what was happening in Mr T's case. We've forwarded the footage to Tesco twice but due to what appear to be delays and restructures it hasn't been viewed and no further explanation has been provided. I don't think it's fair or reasonable to keep asking Mr T to submit the same evidence. And whilst Tesco has been unable to view the footage, it still claims there's no known issue with its system and that the issue lies with Mr T. But I'm not persuaded Tesco's taken reasonable steps to establish that position.

I need to decide how to fairly resolve Mr T's complaint. Based on the footage Mr T has sent us, there doesn't appear to be a technical issue receiving an OTAC via his landline. It's working when Mr T attempts to use V's system to obtain an OTAC. And whilst I note Tesco's comments, I'm not persuaded it's done enough to investigate the technical issues Mr T is experiencing or resolve them. So I intend to tell Tesco to work with Mr T so it can review a real time attempt to obtain an OTAC and its technical teams can look at whether anything can be done to resolve the problem. Mr T should be aware that there's no guarantee that even once Tesco has completed more comprehensive investigations he'll be able to receive OTACs.

With that said, I think Mr T may need to accept that, for whatever reason, he may not be able to receive OTACs from Tesco to his landline in the near future. I understand that may feel like an unsatisfactory answer to his complaint. And I understand Mr T may need to consider whether retaining the credit card in the long term without access to this feature is right for

him if receiving OTACs is of primary importance. I've taken this into account when deciding how to fairly resolve this complaint.

In my view, Tesco hasn't done enough to show the fault lies with Mr T's landline. In fact, Mr T has supplied evidence that strongly indicates there isn't issue with his landline. Based on the information I've seen so far, I intend to uphold Mr T's complaint. Tesco offered Mr T £50 for giving him the wrong information when it issued the final response. I'm satisfied that's fair for the error in the final response. But I also intend to award Mr T £200 for the distress and inconvenience caused by the ongoing lack of access to OTACs and way his enquiries about the technical issues experienced have been handled. That means I intend to ask Tesco to pay Mr T a total of £250 for the distress and inconvenience caused. In addition, Tesco should continue to work with Mr T with a view to investigating the technical issues he's experiencing.

I invited both parties to respond with any additional comments or points they wanted me to take into account before I made my final decision.

Tesco responded and said its stance on Mr T's complaint was set out in its final response and subsequent mediation offer. Tesco says OTACs have been sent correctly to Mr T's landline and provided screenshots to show when that occurred in October 2022. Tesco reiterated that it feels the issue stems from a software or technical problem with Mr T's landline network or handset and that whilst he may be able to receive other OTACs its system is likely different to other providers. Tesco added that online banking is an additional service that is optional and that if a customer doesn't have the necessary technology to use it the service is unavailable. Tesco said the issue hadn't impacted Mr T's ability to use his account and that there's no proof Tesco is at fault.

Mr T responded and said Tesco's agents hadn't tried to resolve the problem receiving OTACs via his landline and had instead attempted to persuade him to purchase a mobile phone for access. In addition, Mr T has explained he has a working landline and access to the internet. Mr T asked whether Tesco would pay for a mobile phone contact in order for him to receive OTACs.

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 both parties responses. Tesco reiterated its view that there is no technical fault with the process it follows when issuing OTACs to Mr T's landline. And it's forwarded evidence to show when OTACs were sent in October 2022. I appreciate OTACs were sent, but I note the screen prints show the calls as "hung up". But Mr T's sent us video evidence that shows when an OTAC is issued by Tesco his landline doesn't ring and he has no option to retrieve it. So it's clear there is a technical issue at play that is impacting whether Mr T can receive an OTAC.

I note Tesco's comments but the provisional decision didn't say Tesco's system was at fault. My provisional decision said Tesco hadn't carried out reasonable investigations into Mr T's problems receiving the OTAC to establish that position. I understand the other OTACs Mr T received are from a different business that uses a separate system. But Mr T's confirmed he's previously been able to receive OTACs to his landline from Tesco. And I'm satisfied the video evidence Mr T has provided is sufficient to demonstrate it's unreasonable to simply dismiss his difficulties as relating to a call blocker or problem with his handset. I remain of the view that Tesco should have done more to look into the technical problems Mr T faces.

I also note Tesco's point that if a customer hasn't got the necessary technology to utilise online banking the service is unavailable to them. But, for the reasons I've given above and in my provisional decision, I'm not persuaded Tesco has done enough to show the fault lies with Mr T's landline or handset or the technology he's trying to use. I still think Tesco needs to look into Mr T's technical problems further.

I've read and considered everything Tesco has said in response to the provisional decision but haven't been persuaded to change my view of how to fairly resolve Mr T's complaint.

Mr T responded and explained Tesco's agents have recommended he obtains a mobile phone and provided details of low cost options that he's been unable to find. Mr T's told us he has a working landline and isn't looking to obtain a mobile phone for the sole purpose of receiving OTACs from Tesco.

I take Mr T's point, but as I've noted above, I haven't found that the error lies with Tesco's systems. My provisional decision to uphold Mr T's complaint was made on the basis it hadn't done enough to investigate the technical issues he raised. It's possible that even after Tesco does complete further investigations it's still unable to find a fault with its systems. It's also possible the fault does lie at Mr T's end. And, as I noted in the provisional decision, Mr T may need to consider that he isn't able to receive OTACs via his landline in the long term and how best to proceed. I've taken Mr T's comments about mobile phone contracts onboard, but I'm satisfied an additional award for the inconvenience caused is a fair way to resolve his complaint.

I've read and considered everything provided by Mr T and Tesco in response to my provisional decision. Having done so, I haven't been persuaded to change my view of how to fairly resolve Mr T's complaint. I still think Mr T's case should be upheld, for the same reasons.

My final decision

My decision is that I uphold Mr T's complaint and direct Tesco Personal Finance PLC trading as Tesco Bank to pay him £250 (less any compensation already paid) and continue to investigate the technical issues experienced receiving OTACs to his landline.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 21 June 2023.

Marco Manente
Ombudsman