

The complaint

Mr M complains about the delays by Santander UK Plc in opening a savings account.

What happened

In October 2022 Mr M applied to Santander to open an e-Saver account. Santander said this should take about three days but later said that, due to high demand, it could take longer. Mr M then complained to Santander about the time it was taking to open his account. In December 2022 Santander accepted that the delays were caused by an error on its part. It said his account should be opened soon and offered to pay Mr M £175 for the poor service he'd received.

Mr M's account wasn't opened until the middle of January 2023, just over three months after he applied. He complained that the delay had caused a lot of inconvenience, including an unnecessary journey to a branch of Santander. He also complained that he'd had to pay excess fees on the account he was going to transfer the funds from. Santander said it couldn't help him any further and Mr M approached this service.

Our investigator thought Santander should pay Mr M an additional £75. While it had acknowledged the impact of its poor service, he didn't think Santander had addressed the inconvenience caused after it had offered £175. So, he thought a total payment of £250 would be more suitable.

Santander agreed with the investigator's view, but Mr M did not. He thought Santander should pay him more compensation. As Mr M didn't agree, his complaint has been passed to me to make a final 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.

Having done so I agree with our investigator's view that a total of £250 is an appropriate amount of compensation for the inconvenience caused by Santander's poor service. Let me explain why.

Santander has acknowledged that it was at fault for the delay in opening Mr M's account. It first told him the delays were due to high demand but later said it might be due to an address issue or because he had a duplicate profile. It said he would need to go into one of its branches to have the second profile removed. But when Mr M travelled about 26 miles to a branch of Santander he was told the second profile had already been removed.

Mr M said he had to pay excess fees (of about £8) on the account he wanted to transfer the funds from that he wouldn't have had to pay had Santander opened his account within a few days. Santander said it had taken those fees into account when paying Mr M £175. It also took account of the inconvenience he'd experienced in having to call Santander on a number of occasions. But it hadn't taken account of the further inconvenience he experienced after it

made that offer.

I can understand Mr M's frustration with the poor service he's received. He had to make a number of telephone calls to Santander and make an unnecessary journey to and from one of its branches. Mr M thinks Santander should pay him mileage at about 40p per mile, plus the cost of parking and a morning of his time. I can understand why he's said that. But our approach in these cases is to look at things in the round and then decide on a figure that seems fairest to both parties based on the impact that's been caused.

Putting things right

In this instance, and taking all of this together, I agree that Santander should do more to put things right. I think an amount of £175 would have been fair for the inconvenience Mr M was caused before Santander issued its final response to his complaint. But it didn't then take account of the further inconvenience it caused afterwards, including the further calls he had to make and the needless journey to one of its branches. I recognise Mr M doesn't agree but I think a total amount of £250 is a fair and reasonable amount of compensation for the impact of that poor service on him.

My final decision

For the reasons given above, I uphold Mr M's complaint and direct Santander UK Plc to pay him a further £75 in addition to the £175 it has already offered for the trouble and upset caused by its poor service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 16 August 2023.

Richard Walker
Ombudsman