

## **The complaint**

Mr D complains about lax telephone security handling by Santander UK Plc's employees. He would like Santander to stop using poor practices as it may put customers at risk.

## **What happened**

On 29 March 2023 Mr D was called by a person claiming to be an employee of Santander, and he was asked to give his date of birth to pass security. He said he had no way of knowing if this was genuine, or a fraudster attempting to gain his personal information.

Mr D said the call was genuine, but to avoid doubt he wants Santander to stop this practice. He said Santander's guidance states he should not give personal information over the phone when someone calls. And he wondered how Santander's employee wasn't aware of that and the internet shows he's not the only Santander customer in this situation. He said fraudsters benefit if customers can't distinguish a genuine Santander employee from a fraudster.

Mr D said he regularly receives calls from fraudsters trying to convince him they are from reputable organisations, including Santander, and some are very sophisticated in extracting security details. He said he relies on Santander's security guidelines on how to communicate with Santander, and avoid communicating with fraudsters. Mr D said when Santander wants to talk to a customer they could ask the customer to call. He complained to Santander and said if it doesn't strengthen its phone security guidelines, every customer is at risk of loss.

The Santander employee that spoke to Mr D on 29 March responded to his complaint. She said she explained during the call that Santander may ask customers to confirm partial details to ensure it is speaking to the genuine customer, but it would never request full passwords or security details. Mr D wasn't satisfied with Santander's response as it appeared to address calls to Santander rather than calls from Santander as he had raised. He referred his complaint to our service and requested compensation for his experience.

Our investigator didn't recommend the complaint be upheld. He said Santander's security checks are a fair way to determine it is speaking to the right person. He said Mr D mentioned Santander's guidance, saying it won't ask for personal information but this means passwords and full account details, rather than date of birth. He said by giving partial details Santander are showing it has these details already, which is a protection against fraud. He said that in any event, we can't ask Santander to review or change their process and security measures.

Mr D disagreed and requested an ombudsman review his complaint. He said the investigator was wrong that on its call Santander provided partial details first, having only requested his date of birth and anybody could have said they were dealing with his complaint. He said his date of birth data is as valuable to his security as his password or any other account detail.

The investigator said if Santander failed to provide Mr D with partial information on a call we can't punish them for a simple mistake. He said it was a legitimate call and didn't result in any form of fraud. He said if this happened regularly then he would consider action.

Mr D said this is a repeated error by Santander on its calls.

## **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.

Mr D is unhappy that Santander's employee asked him for personal information which he said was against Santander's own guidance and replicates techniques used by fraudsters. He thinks Santander are exposing customers to the risk of fraud.

I've looked at Santander's security procedures to see if it has acted in accordance and to see if it has treated Mr D reasonably.

Mr D accepts that our role is to resolve complaints and not to regulate businesses, which is the role of the Financial Conduct Authority. And so, it is not in our power to tell Santander to change its security procedures if we thought they were wrong, as this would not be within our remit. It is open to Mr D to raise this issue with the Financial Conduct Authority if he wishes, but should note that it does not deal with individual complaints.

Santander has a responsibility to maintain the security of its customers personal information. But it can choose its own process in asking certain security questions to fit in with its data security procedures. And, as already said, this is not something that we would ask a bank to change or interfere with. This means that Santander's approach to phone security and the questions that they ask, is up to them.

Santander's guidance to customers states, 'Your security is our priority, so you know an email is from us we will never ask for your personal information such as passwords or security details'. It's clear from this Santander will ask for less secure information than that which might guarantee access to a customer's account. By requesting partial details of addresses, date of birth etc., Santander can ensure it is speaking to the correct person.

I understand that Santander's approach to security checks for outgoing phone calls is widespread with businesses (and our service). The check is started by the organisation providing some of the detail and this gives the customer some assurance that they are speaking to the right body. The partial information then requested of the customer would not of itself be sufficient for a fraudster to access their account and wasn't with the information partially disclosed to Mr D.

Mr D has said Santander's approach to security wasn't carried out in the calls he received. From the call record, I think this was in part carried out by Santander's call handler. Perhaps, as she stated that she was dealing with Mr D's complaint, she considered that this would be sufficient bona fides. I think Santander has adopted a fair and reasonable approach to phone security and might usefully remind its call handling staff that they must ensure it is operated correctly.

Mr D has described his fear of divulging information to fraudsters and how this is encouraged by Santander's lax approach. I sympathise with him as fraud is a constant menace. Fortunately he doesn't appear to have suffered a loss in this way. Our service can only award compensation where some detriment is shown to have occurred and for this to be due to the actions of the business complained of.

Because this is essentially a regulatory matter, and as there is no evidence of direct loss and because fraudsters have to go through a few more stages in order to obtain someone else's funds than requesting a date of birth and address completion, this complaint is not one I can uphold or award compensation. If Mr D remains suspicious of an incoming call then he can hang up and call Santander back if he wishes and I wouldn't be surprised if he has done this in the past to be sure of who he is speaking with.

**My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 2 April 2024.

Andrew Fraser  
**Ombudsman**