

The complaint

Mr V complains about the service he received from Santander UK Plc when he was locked out of his on-line banking.

What happened

I issued a provisional decision on 6 March 2024, and this is what I said:

I've considered the relevant information about this complaint.

Based on what I've seen so far, there will be a different outcome to what our investigator proposed. Before I issue my final decision, I wanted to give everyone a chance to reply.

I'll look at any more comments and evidence that I get by 20 March 2024. But unless the information changes my mind, my final decision is likely to be along the following lines.

The complaint

Mr V complains about the service he received from Santander UK Plc when he was locked out of his on-line banking.

What happened

Mr V is a vulnerable customer, and his complaint is about the service he received when he contacted Santander for assistance after he was locked out of his on-line banking.

There are 4 strands to Mr V's complaint. These are:

- 1. He was delayed receiving his on-line banking credentials and this caused financial difficulties, inconvenience and distress.*
- 2. He received incorrect information from call handlers, and this added to the above delay and caused further distress.*
- 3. He received poor service from call handlers including rudeness, which added to his distress.*
- 4. He felt the complaints investigator didn't treat him fairly. This is because she wouldn't escalate his complaint to a complaint handling manager for a final response.*

Santander's final response said Mr V was given the wrong timescales for the online banking details to arrive and they offered an apology with £30 compensation.

Mr V was dissatisfied and brought his complaint to our service. Our investigator partially upheld Mr V's complaint and said Santander should increase the amount of compensation to £200.

Mr V considers this amount of compensation to be inadequate and his complaint has been referred to me to look at.

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.

Having done so, my provisional decision is to partially uphold this complaint and to require Santander to pay a higher amount of compensation. I'll explain why.

I should first explain that:

- *As mentioned by our investigator, there are rules (known as DISP Rules) laid down by the Financial Conduct Authority (FCA) which means complaint handling is not a regulated activity. So, specific complaints about how Santander manage complaints, including their escalation process, can't be considered by our service. Therefore, I'm unable to consider Strand 4.*
- *From reviewing the file, I'm persuaded that Mr V is a vulnerable customer under the FCA definition and that Santander should've been aware of this when liaising with him.*

I looked closely at strands 1, 2 and 3.

Strand 1

Santander use the mail service to post credentials and say customers should expect them in 6 to 7 working days. Although it's a business decision to use a service that they can't control, considering they provide customers with other banking methods; I don't think it unreasonable for there to be a time delay and no guaranteed delivery date.

Mr V requested new credentials to regain access to his on-line banking on 29 September 2023 but didn't receive the credentials letter until 15 October 2023, which was 11 working days later.

As this was 4 days longer than the estimated delivery date, I considered whether Santander had contributed to the delay here.

However, I found that the card Mr V first requested on 29 September 2023, which was re-ordered on 5 October 2023, was dispatched by Santander but never arrived. This caused 5 working days to be lost and, had it not been for this, Mr V would've received his credentials within the timeframe estimated by Santander.

Although I can't see Santander made an error here, it's clear Mr V relies on on-line banking and by not having access between 29 September and 15 October 2023 he experienced financial difficulties, inconvenience and distress. However, although I'm very sorry to hear of Mr V's experience, as Santander:

- *Hadn't caused the issue*
- *Followed their credentials process*
- *Didn't make any errors when sending the credentials*
- *Hadn't disabled Mr V's account*
- *Offered other banking methods*

I don't think it would be fair or reasonable to require Santander to pay compensation. So, I'm not upholding this strand of Mr V's complaint.

Strand 2

Santander don't dispute that they gave the wrong timescales for the online banking credential letter to arrive. This misinformation was evident when I listened to the calls on file.

Also evident from the calls and submissions was the distress this caused Mr V and, considering Santander call handlers should've been aware of his vulnerability, I don't think £30 compensation is sufficient.

So, I'm upholding this strand of Mr V's complaint and I considered additional compensation in my summary below.

Strand 3

I found most but not all the call handlers to be polite and helpful. There was one call handler who I thought should've been more sympathetic and helpful throughout the call. So, I could see how, when she struggled to understand a point Mr V made, a combination of her tone, silence and subsequent comment could be interpreted as being abrupt or discourteous.

Mr V referred to his vulnerability on several calls, including one on 29 September 2023. Also, he says Santander were aware of this. However, I can't see a note was on Santander's system and I think more likely than not that this affected the service Mr V received. As explained by our investigator, FCA guidance says that a business should have staff with the right skills and capability to recognise and respond to the needs of vulnerable customers.

I found that on several calls Mr V mentioned his mental health condition and the anxiety he was experiencing, yet this wasn't acknowledged. Also, additional support wasn't discussed even at the complaint stage which may have reduced Mr V's anxiety and distress. Also, I note that, upon reflection, Santander acknowledge that they missed opportunities to support Mr V.

So, having considered the above, I'm also upholding this strand of Mr V's complaint.

Summary

I'm upholding strand 2 and 3 of Mr V's complaint. I consider that the combined service failings here caused Mr V to make a number of calls. And I'm persuaded that the information and communication he received, together with a lack of support, caused a vulnerable customer, who suffers from anxiety, both inconvenience and distress.

Assessing compensation isn't an exact science and our approach when making awards for non-financial loss is detailed on our website and tends to be modest. Having considered our approach together with all the information on file, although the impact has been short-term, I think it was more than minimal and Santander should provide Mr V with £100 compensation for strand 2 and £200 for strand 3.

So, my provisional decision is that I'm partially upholding this complaint and I require Santander UK Plc to pay Mr V £300 compensation less any amounts already paid.

My provisional decision

For the reasons I've given above, it's my provisional decision to uphold this complaint. I require Santander UK Plc to:

- Pay Mr V £300 compensation less any amounts already paid*

I'll look at anything else anyone wants to give me – so long as I get it before 20 March 2024. Unless that information changes my mind, my final decision is likely to be as I've set out above.

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'll focus on what I think are the important points to reach a final decision. But I've carefully considered all the points Mr V has made, even though I don't specifically address them all.

I didn't receive a response from Santander.

Mr V responded to say he didn't agree with my decision not to uphold strand 1 of his complaint.

Strand 1 was that Mr V was delayed receiving his on-line banking credentials and this caused financial difficulties, inconvenience and distress.

Mr V included the following points in his reasoning:

- Santander's deadline for sending the online banking details is normally 3 to 5 business days and not 6 to 7
- Santander have a duty to have knowledgeable staff so they:
 - Shouldn't have given conflicting timescales
 - Should've managed to track what is happening
- The technical issues he experienced
- The Santander staff member, mentioned in strand 3, who could've been more helpful, refused to put him through to a complaints manager and he was told this is not part of their policy.
- Santander complaints handling staff disregarded him.

So, noting Mr V's points, I looked at everything again with a focus on Strand 1.

It's clear that Santander can only give a rough guideline on how long it should take for a customer to receive on-line credentials via the mail service. I think it's understandable that their staff have different experiences of the time it takes for customers to receive the credentials. However, although I can't instruct Santander on their communications, I think they should have a consistent message rather than the range of different timings Mr V experienced.

I recognise that different delivery times have been communicated to Mr V. However, these are all approximate and the reason it took a total of 11 working days for Mr V to receive his credentials was because the first letter wasn't received. So, although I appreciate the inconvenience and frustration this caused Mr V, as Santander can't control the mail service and offer approximate delivery timeframes, I don't think it would be fair or reasonable to hold them responsible for the delay.

Also, although I appreciate that they're undesirable and inconvenient, different banking methods were available to Mr V. In addition, Santander first tried to give Mr V some technical assistance, however technical issues can be due to a user's device and unfortunately, they weren't able to give Mr V remote help to prevent the need for credentials to be posted.

I also recognise Mr V's dissatisfaction with Santander's complaint handling procedures and policy. However, for the reasons mentioned in my provisional decision, I can't consider this strand of Mr V's complaint.

Having considered everything again, although I appreciate Mr V will be disappointed, I'm still upholding strand 2 and 3 but not strand 1.

So, I'm partially upholding this complaint and I require Santander UK Plc to:

- Pay Mr V £300 compensation less any amounts already paid

My final decision

My final decision is to partially uphold this complaint and I require Santander UK Plc to:

- Pay Mr V £300 compensation less any amounts already paid

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr V to accept or reject my decision before 25 April 2024.

Paul Douglas
Ombudsman