

The complaint

Mrs T has complained about the actions of Santander UK Plc in relation to the provision of various services that relate to her current account with it.

Mrs T's complaint has been brought on her behalf by her son.

What happened

I have previously issued a provisional decision regarding this complaint. The following represents excerpts from my provisional decision, outlining the background to this complaint and my provisional findings, and forms part of this final decision:

"Mrs T had used phone banking with Santander for a number of years. However during a call made in 2023, following a security check Santander told Mrs T that her birthdate was incorrect, although her son says it was in fact correct. After several calls Mrs T was told that she would need to present proof of her birthdate at a branch. The country Mrs T lives in does not have Santander branches.

After discussions with Santander, on 23 June Mrs T was driven over 100km by her son to a Santander branch to present her passport. At the same time, Mrs T requested monthly statements, and a new ATM card and PIN as her previous one had been lost. Mrs T made a request to transfer £25,000 to her son's UK account. When she left the bank she understood this transfer would be effected shortly, but this did not occur, and over the next two to three months Mrs T and her son estimate they had phone calls on 20 to 25 occasions as they chased for the payment to be processed.

Mrs T and her son say they were given differing reasons for the payment being delayed, and during some phone calls they were cut off. At one point a Santander staff member advised them to write a cheque, and having been paid in this was credited, but it was then immediately reversed. Eventually Mrs T agreed to try online banking, although she was reluctant to do so because she considered there were risks to this. I understand that the payment was subsequently made successfully by Mrs T in September 2023, with her son returning money to a different account of Mrs T's that uses a different currency.

Mrs T summarised her complaint to Santander as follows:-

- *Why was her birthdate incorrectly transcribed?*
- *Why was it necessary to do a 200km round trip to a branch to rectify her birthdate record?*
- *Why was the £25,000 payment not processed following the branch visit?*
- *Why did the payment not proceed once Santander's fraud department approved it?*
- *Why was she advised to write a cheque when this payment method also failed?*

Mrs T's son highlighted the levels of stress and inconvenience he said she had been caused due to the service she received from Santander.

Santander responded that it was in line with its policy when it carried out additional checks on the requested payment. It said it had been unable to speak to Mrs T when it called. When Mrs T replied to Santander, she had asked it to speak to her son, but Santander stated this was not possible as he is not registered on the account. It also explained that for her son to operate the account, Mrs T would need to arrange a power of attorney. Santander said that Mrs T's son had come through on its phone line for verifying payments, whereas this would need to be Mrs T herself.

Our investigator proposed that Santander should pay Mrs T compensation of £250 to reflect distress and inconvenience caused to her. She noted that Santander had a process available for changing a date of birth record that could have avoided Mrs T and her son visiting the branch. The investigator stated that on occasions Santander had not called Mrs T back about the £25,000 payment when it had said that it would, and her view was that the bank could have done more to help Mrs T.

In response Mrs T's son said that he had sat in with his mother on multiple occasions in recent years when she had used telephone banking, and that when she gave her birthdate she passed security successfully. However, early in 2023 during a call with Santander, she was told that the birthdate she gave was incorrect. Mrs T's son said that Santander's record of the birthdate had been changed due to an error within the bank, as it had not been the result of any change made by Mrs T. He suggested that Santander should be able to show from its records when and why the birthdate was changed to an incorrect value.

In terms of the delays with the £25,000 payment, Mrs T's son reiterated that when it was initially requested during the June branch visit, Santander branch staff confirmed that the transaction would take place. However, he says it was then declined, but subject to approval by the bank's fraud department. After approximately four weeks, they were told that the fraud team had approved the payment, but that it would need to be requested again via another Santander department. This resulted in further delay, and the payment was only eventually arranged after Mrs T had agreed to set up online banking.

Mrs T's son highlighted that during the branch visit, Santander had accepted other instructions from Mrs T, such as ordering a new ATM card, but had declined the payment request, subject to it making further enquiries about it. He described Santander's actions as inconsistent, and he referenced again that the round trip to the branch had been over 200km.

Santander agreed to the investigator's proposed compensation amount.

Mrs T's son confirmed that she wanted her complaint to be passed to an ombudsman for review. Prior to this case being passed to me, Santander told our investigator that a compensation payment of £200 had been made to Mrs T, but because the case was to be reviewed by an ombudsman, that payment had been recalled. I note that this amount is not the same as the £250 proposed by the investigator in her assessment. That aside, based on Santander's recent correspondence, my current understanding is that at present, Mrs T has not been paid any compensation in relation to this complaint.

Since being passed the file to review, I have asked Santander to check its records to determine whether Mrs T's recorded date of birth on its systems has been changed at any time during the account's history, and if so, what caused this to be changed. Santander responded that it had been unable to determine when the date of birth record was changed, and it could not say why it had been changed.

Noting that during Mrs T's branch visit, Santander had agreed to provide her with a new card and statements, and had resolved the date of birth issue through presentation of a passport, I asked Santander to clarify why it considered further checks were necessary after that visit before it would process the £25,000 payment. It responded that despite Mrs T's visit, payments are still subject to fraud and scam checks. Santander stated that the fraud case handler "was able to clear the payment relatively quickly and confirm no further concerns with it."

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.

Mrs T has confirmed that she had been using telephone banking for a number of years with Santander before she encountered difficulties clearing its security procedures in early 2023. The problem related to Mrs T's recorded date of birth, and in particular her year of birth. Santander has confirmed that it cannot evidence when the date of birth began to be recorded incorrectly, although at one point during the investigation of this complaint, it suggested this could have happened when the account was opened in 2001.

Mrs T's son has explained that up to the end of 2022, he sat in with his mother when she used phone banking, and there was not an issue when she confirmed her date of birth. In my view, it is unlikely that if the date of birth on Santander's records was wrong from account inception in 2001, this would only have come to light in 2023, or over 20 years later. That leads me to the conclusion that this record was changed to an incorrect date in more recent years.

I cannot know for certain how the date of birth came to be altered so that it showed the incorrect birth year. In the circumstances, I need to come to a conclusion on this matter based on the weight of evidence provided. Mrs T and her son have explained when approximately they consider the record became incorrect, as they say they first encountered this problem in early 2023. They are also very clear in their recollections that they did not take any actions that would have resulted in the date of birth being changed to an incorrect value. In the absence of any evidence from Santander that shows Mrs T caused the record to be incorrect, my view is that it is more likely than not that Santander took some sort of mistaken action in relation to the data it held for Mrs T that led the date of birth to be changed to an incorrect date, and that this happened around the start of 2023.

That being the case, I have considered the events that resulted from the date of birth being changed to an incorrect date. To rectify the situation, Mrs T was told over the phone by Santander that she needed to present proof of her birthdate, and that this needed to be done by visiting a branch. Santander has more recently explained that it does have a process available that would have negated the need for a branch visit, and that in light of where she lives, it should have offered this option to Mrs T.

Based on the information they'd been given over the phone, Mrs T and her son undertook a round trip of over 200km to visit a Santander branch. Santander has commented that when told about visiting the branch Mrs T and her son did not object to the idea. However on balance I consider that if offered the option of correcting the date of birth record by sending information to the bank, this is likely to have been the option they would have chosen, in light of Mrs T's circumstances, and the distance to the branch. In my view by failing to offer an alternative to a branch visit, Santander caused Mrs T unnecessary distress and inconvenience.

In terms of the branch visit itself, presentation of her passport allowed Mrs T to confirm her date of birth, and she was also able to request a new ATM card, a new PIN, and monthly statements. At the same time, branch staff helped Mrs T request the payment of £25,000 to her son, and she says that she left with an understanding that this would shortly be processed. However instead it was referred to Santander's fraud team, and the payment was subsequently delayed for a considerable period of time.

I appreciate that Santander has a duty to protect its customers money, and therefore must take steps to ensure requested payments are genuine and legitimate. However, I'm mindful that Mrs T's requests made at the same time for a new card and PIN, and for statements, were accepted, and Santander also accepted her proof of birthdate. Although I acknowledge that the payment was for a large sum of money, it's not entirely clear to me why this was subject to further checks, bearing in mind Mrs T had visited a Santander branch in person to make the request.

Further to this, based on the testimony provided by her son, it seems that Mrs T left the branch believing that the payment would be processed, in light of comments from the branch staff to this effect. When this did not occur within the next few days, I consider this would have caused upset to Mrs T.

Santander has stated that its fraud team was able to clear the payment relatively quickly and confirm no further concerns with it. But it appears to have been around three to four weeks after the branch visit when the fraud team confirmed it had no concerns with the payment, and in my view this was not particularly quick. And Mrs T was then told that the payment would need to be requested via a different area of Santander. I'm not clear why that was necessary, bearing in mind Mrs T had already made the request for the payment in person in the branch. I'm also not clear why the cheque that Mrs T wrote to make the payment was credited but then immediately reversed. These events resulted in a further delay in the payment, and it was finally arranged when Mrs T signed up to online banking, which her son has explained she was reluctant to do as she perceived it to have significant risks.

Overall, my view is that Santander's handling of the issues which led to Mrs T making her complaint caused her unnecessary and significant difficulties. On balance my view is that it was an error within Santander that caused her birthdate record to be incorrect. This led to a journey for Mrs T to a branch some distance away from her that could have been avoided, and was difficult due to her circumstances. Once Mrs T had been into the branch to request the £25,000 payment, I consider Santander could have handled matters better so that this did not take as long as it did. And my view is that Mrs T was given an expectation from her branch visit that the payment would be completed far quicker than was actually the case.

In conclusion, my current view is that Santander's actions have caused Mrs T distress and inconvenience that she should not have experienced if matters had been handled better. Taking into account awards made by this service on complaints with similar circumstances, I currently consider a compensation amount of £500 (which includes the amount previously agreed by Santander) is appropriate to reflect the difficulties caused to Mrs T."

Responses to my provisional decision

Mrs T's son said that he felt his mother's complaint had been understood, and he made a couple of further comments. Firstly he said that the distress and inconvenience Mrs T had experienced were real, but he considered Santander had not appreciated that it had made mistakes. He was concerned that the cause of Mrs T's data changing had not been identified, meaning that other customers might experience the same problem, and suffer the same resultant difficulties.

Secondly Mrs T's son commented that at no stage had anyone at Santander apologised to his mother. He said it would have been easier to have resolved matters if Santander had identified the cause of the date of birth being changed, confirmed this would not happen again to Mrs T or others, and shown regret for causing distress.

Santander accepted my provisional findings.

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 acknowledge what Mrs T's son has said about Santander's investigations around the cause of the date of birth change. As I explained in my provisional decision, I don't consider it's possible to say for certain why Mrs T's birth year was altered on Santander's records so that it became incorrect. Santander has not been able to provide evidence confirming how this occurred, and I remain of the view that more likely than not this error was caused by Santander.

Whilst it's disappointing not to be able to say for certain why this error occurred, it's clear that Santander has caused Mrs T significant unnecessary distress. The bank has accepted that it should pay Mrs T compensation to reflect this. Overall, taking into account the replies to my provisional decision, I do not consider that I have reason to alter the conclusions reached in that provisional decision.

My final decision

My final decision is that I uphold this complaint, and require Santander UK Plc to pay Mrs T £500 compensation (including any sum that has already been paid) for distress and inconvenience caused to her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 6 May 2024.

John Swain
Ombudsman