

The complaint

Mr J, who has difficulties with verbal communication, is unhappy that National Savings and Investments (“NS&I”) didn’t provide clear information about how they would use the phone number he provided them in his application, or with the support he received when trying to change the phone number on his account.

What happened

Mr J applied online for an account with NS&I. As part of the application, he was asked to input his phone number. But because Mr J has difficulties with verbal communication, he tries to avoid providing his phone number where possible, and so input a generic number sequence where his phone number was requested.

Unfortunately, Mr J wasn’t aware that NS&I would use the submitted phone number as part of their account login two-factor authentication process. And because Mr J had submitted an incorrect phone number, and not his own phone number, he was unable to complete NS&I’s login process and so couldn’t access his account online.

Mr J emailed NS&I and explained that he has difficulties with verbal communication and gave NS&I his correct phone number to be updated on his account. But NS&I didn’t update Mr J’s phone number as he’d asked them to, meaning that he continued to be unable to access his account online. Mr J wasn’t happy about this, so he raised a complaint.

NS&I responded to Mr J’s complaint and noted that he’d asked to update his telephone number with them. But NS&I then said that Mr J would need to call them on the phone to update his phone number with them. Mr J wasn’t happy about this, especially as he’d told NS&I that he has difficulties with verbal communication. Mr J also felt that NS&I had breached his data rights. So, he referred his complaint to this service.

One of our investigators looked at this complaint. During their review, NS&I accepted that their initial response to Mr J’s complaint had been of a poor standard. And they offered to update Mr J’s phone number on his account if Mr J could confirm the correct phone number to them via this service or via email, and to pay £125 to Mr J as compensation for the trouble and upset he’d incurred.

Our investigator felt that NS&I’s offer represented a fair outcome to this complaint and noted that it isn’t within the remit of this service to issue a finding on whether a breach of data rights has occurred or not. But Mr J didn’t accept NS&I’s offer, and so the matter was escalated to an ombudsman for 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'd like to begin by confirming that this service isn't a regulatory body or a Court of Law and doesn't operate as such. Instead, this service is an informal, impartial dispute resolution service. And while we do take relevant law and regulation into account when arriving at our decisions, our remit is focussed on determining whether we feel a fair or unfair outcome has occurred – from an impartial perspective, after taking all the factors and circumstances of a complaint into consideration.

I highlight the above because Mr J has said in his correspondence with this service that he feels that NS&I have breached his data rights. However, given that this service isn't a regulatory body, it isn't within my remit to decide whether a breach of data rights has occurred here or not. Rather, that would be for the relevant regulatory body – which in this instance would be the Information Commissioner's Office ("ICO") – to decide.

I note that Mr J has confirmed to this service that he has already raised a complaint about the potential breach of data rights with the ICO. Accordingly, I'm satisfied that Mr J has referred this aspect of his complaint to the relevant regulatory body, and so I won't comment on this aspect of Mr J's complaint any further.

Mr J feels that NS&I didn't provide a clear explanation to him, before he applied for his account, what the telephone number would be used for, and he's explained that if NS&I had made it clear that the phone number that he inputted would be used for account security and access purposes, that he would have provided his correct phone number. Mr J also notes that NS&I's own information about what is needed to open an NS&I account makes no reference of the need for a phone number.

However, there was and continues to remain clear information on NS&I's website about two-factor authentication and how it would be used for account security and access purposes. And NS&I's Privacy Notice further explains that the information it gathers from account holders would be used for account security and access.

Additionally, a telephone number isn't required by NS&I as part of the account opening process. But one is required by NS&I to set up two-factor authentication on an opened account, which is why an application can't progress without a phone number being provided. And, while I accept that this is a subtle distinction, ultimately Mr J chose not to provide his correct phone number to NS&I based on his own assumption of how NS&I would use the number he provided, rather than checking how NS&I would use his number via the information referred to above.

Mr J has stated that he feels that NS&I have failed to make reasonable adjustments for his verbal communication difficulties under the Equality Act 2010. I've taken the Equality Act 2010 into account when deciding this complaint – given that it's the relevant law. But, as explained at the start of this section, this service isn't a Court of Law and doesn't operate as such. And so, I've decided this complaint based on what's fair and reasonable. If Mr J wants a decision that NS&I have breached the Equality Act 2010, he would need to go to Court.

That being said, it's clear to me that a fair outcome here is that Mr J's telephone number should be updated with NS&I so that Mr J can pass two-factor authentication and access his account. Notably, NS&I agree with my position here, and they've offered to update Mr J's telephone number with them for that reason.

Mr J has explained that he's already provided his correct telephone number to NS&I via his initial email to them, which also explained to NS&I that he has difficulties with verbal communication. Unfortunately, Mr J sent his email to an incorrect email address at NS&I. And while it would have been preferable if NS&I had a process in place to forward Mr J's email to the correct department, NS&I did respond to Mr J's email the day after it was sent

and informed Mr J that his email had been sent to an incorrect department and that he would need to resend his email to a more appropriate recipient within NS&I.

Mr J did send a further email to NS&I the same day that he received the response to his first email from them. But Mr J's further email was his raising a complaint with NS&I, and this email didn't include Mr J's correct telephone number or any information about his verbal communication difficulties.

However, this service did appraise NS&I of Mr J's verbal communication difficulties before NS&I issued their formal response to his complaint, so that that information should have been taken into consideration by NS&I's complaint handler. But NS&I have explained that the first email Mr J sent to them, to the incorrect email address, wasn't forwarded to their complaints or operations team, which meant those teams didn't receive notice of Mr J's correct phone number.

Considering the above, it doesn't seem unreasonable to me that NS&I, having reassessed their position on Mr J's complaint having understood his verbal communication difficulties, were asking Mr J to provide his correct phone number to them. And I don't feel that it was reasonable for Mr J in response to that request to point to his first email, which as explained was sent to an incorrect email address about which he had been informed, and which wasn't available to the relevant departments within NS&I.

It's my understanding that NS&I are now in possession of Mr J's correct phone number so that this can be updated for him. However, if my understanding on this matter is incorrect, this service can help Mr J provide his correct number to NS&I so that he gets the outcome that he's seeking here – that he can pass two-factor authentication and access his account.

NS&I accept that their complaint handler should have understood that Mr J has difficulty communicating verbally from the information provided to NS&I by this service shortly before NS&I issued their formal complaint response to Mr. And NS&I have apologised to Mr J for his being asked to call them on the phone and have offered to pay £125 to Mr J as compensation for any upset and frustration he incurred as a result.

Upon review, I feel that NS&I's offer to correct Mr J's phone number and pay £125 compensation does represent a fair outcome to this complaint. This is because I feel that by updating Mr J's phone number, NS&I are undertaking the required corrective action here. And because I feel that £125 is a fair compensation amount for NS&I's complaint handler not recognising that Mr J had verbal communication difficulties, such that asking Mr J to call NS&I wasn't appropriate.

As such, while I will be upholding this complaint in Mr J's favour, I'll only be doing so to instruct NS&I to update Mr J's phone number and pay £125 to him as they've already agreed to do. And I won't be issuing any further instruction to NS&I beyond these points.

I realise this might not be the outcome that Mr J was wanting. But I hope that he'll understand, given what I've explained, why I've made the final decision that I have.

Putting things right

If they haven't done so already, NS&I must liaise with this service and ensure that Mr J's telephone number is updated correctly on their systems as soon as possible.

NS&I must also make a payment of £125 to Mr J.

My final decision

My final decision is that I uphold this complaint against National Savings and Investments on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 9 May 2024.

Paul Cooper
Ombudsman