

## The complaint

Mr B has complained about the online service provided by Skipton Building Society ('Skipton'). He was unable to withdraw funds or close his online accounts as instructed.

## What happened

Mr B had two fixed term savings accounts with Skipton totalling over £200,000. One was to mature on 23 September 2023 and the other on 20 October 2023. Mr B was temporarily working overseas and couldn't get access to Skipton's website despite him being able to access other websites and phone apps.

Mr B called Skipton to give his maturity instructions but the funds for the first maturing account wasn't paid out as instructed.

As Mr B's account was online based, he was advised he could only carry out such a transaction online but the funds to be transferred to his nominated bank account were over the limit for Skipton's online limit, so he had to call in any event. Mr B wasn't happy with the service he was receiving and raised a complaint with Skipton who responded on 3 October 2023. It said;

- Mr B had given his nominated bank account details during a call on 15 September 2023 as he was experiencing issues with the app and website and had therefore been unable to submit a maturity instruction.
- The contact number Mr B was calling from was from abroad and Skipton believed that Mr B's concerns had been previously addressed in its letter of 29 July 2022 in a response to an earlier complaint about why he wasn't able to access his account while overseas.
- It said that as Mr B was abroad, access to his account would continue to be declined until he was back in the UK.
- It said that no instructions were provided about the maturity proceeds during Mr B's phone call. And as the account was online it was Mr B's responsibility to operate the account. As he was currently out of the country no access could be granted.

I referred back to Skipton's response to Mr B's complaint that he had raised in 2022. At that time it said;

- Mr B had been in touch with its head office in order to make a withdrawal and close his two accounts.
- Mr B was temporarily outside of the UK and Skipton couldn't guarantee access to its services as per its terms and conditions.
- Mr B hadn't been able to confirm that his mobile number/phone was registered in the UK. As Skipton is a UK based company funds are only accessible via the app with a UK registered mobile phone which had been registered with its customer portal.
- Any change to a mobile number would need to be updated on Skipton's portal using

second factor authorisation such as the App and one time code. These are designed to only be accessible to UK registered numbers and the number Mr B had called on didn't match the number it held, so it would not have been able to receive a text to action Mr B's request.

- Mr B had since managed to withdraw funds and close his two accounts with the funds sent to his nominated bank account. Any further withdrawals would need to be actioned in the UK or by post.
- It didn't uphold Mr B's complaint.

Remaining unhappy with the outcome of his 2023 complaint, Mr B brought it to this service. Our investigator who considered the complaint thought it should be upheld. He said;

- He couldn't agree that Skipton's July 2022 response to Mr B's first complaint definitively told Mr B that the services weren't available to him in the first of his three overseas locations. And it hadn't provided more information on localised services and what someone would need to do to access their account if they weren't in the UK. This hadn't been communicated to Mr B and he was left to complain to understand why he couldn't do something that its website was telling him to do.
- Skipton could have referred to the earlier complaint when speaking with Mr B as it would have known that restrictions were in place, and it was unable to provide a service as expected.
- Skipton hadn't elaborated on many of points raised by Mr B and why he was seemingly stuck in a loop of communication failings, nor had it explained to this service what the limitations meant on Mr B's account while overseas.
- He said Skipton should pay Mr B £200 for the poor customer service that meant Mr B had to make unnecessary calls.

Mr B agreed with the investigator. He said that him not being in the UK at the time was irrelevant as Skipton's own website stated that to perform the transaction, he would have to call up whether he was in the UK or not. Skipton was suggesting it was because he wasn't in the UK, which was incorrect as he would have to phone regardless.

Skipton didn't agree with the proposed outcome. It said it wasn't responsible for informing customers of alternative services while overseas, the account was a Payment Service account, it had been confirmed to Mr B that his account may not work outside of the UK, and it referred to its terms and conditions. It also confirmed that it went above its security processes and allowed the withdrawals and closure of both accounts on 12 October 2023. As the complaint remains unresolved, it has been passed to me for a 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.

After doing so, I've reached the same conclusions as the investigator and broadly for the same reasons. I'll explain why.

I have listened to the call of 15 September 2023 during which Mr B says he was led to believe that at maturity both accounts would be closed, and money transferred to his nominated bank account. Mr B's records show that the call lasted 7:41 minutes but the call recording I have is for 4:02 minutes so I think Mr B's records would include waiting time for his call to be answered. I say this because I haven't been told of any other calls made on that day.

Mr B starts that call by explaining that one of his accounts will be maturing the following week and he wanted to input some nominated bank account details as he was struggling to do so on the website. He wanted to know if it could be done over the phone, which it could, and Mr B provided his bank details which were added to his account. The call operator offered to add them to the other account also which was done, and the operator confirmed nominated bank account details were added.

But I don't think that call was an instruction about what to do with the funds when they matured. Mr B says this was for them to be transferred to the nominated bank account – and I accept that was his intention – but no instruction was given during that call, just the bank details added.

After the funds weren't received in Mr B's bank account after the maturity of the first of his fixed term savings account, he later contacted Skipton by phone on 29 September. He wanted to close his account and transfer the funds to his nominated bank account, but he was advised to do so online. During this call he raised a complaint.

I see that Skipton's information leaflet about the 'Fixed Rate E-bond Range (Maturity)' says;

'These accounts will not be right for you if... You want to open and manage your account in branch, by post or by telephone'

and that the account;

'can only be managed online'.

The E-bond account was going to be the first one to mature so I can understand why Mr B was advised that any instructions should be made online. I note for the second maturing account the leaflet says, 'the 'Fixed Rate Bond Range (Maturity)' says;

'These accounts might be right for your if... You want to manage your account online, by phone, by post or in branch.'

In the meantime, Mr B received Skipton's response to his complaint on 3 October and remained unhappy so called again on 7 October from a different overseas location from where he still couldn't access Skipton's app and website.

Mr B called again on 23 October from another overseas location again and had been able to access the app as in order to make the transfer he needed a code from the app. He was talked through the process by the operator, but he told us that even though he did so, he had explained it wouldn't allow him to transfer the amounts – I assume because they were over the £50,000 daily limits – but was advised he would need to call Skipton.

But Mr B's overseas locations at the times meant that he couldn't either access his online account or app. But he says that was irrelevant in any event because the amounts of both fixed term savings accounts were over the financial limit to make an online withdrawal. Mr B has provided a screenshot of the information he received where the amount being withdrawn from his E-bond was £101,713.92. It said;

'Withdraw

**X** Unfortunately there has been a problem with the transfer, as a result no funds have been transferred.

**X** Sorry, we are unable to process your request at this time, please contact us...'

For the second account where the value was £101,897.96 a similar message was sent. It said;

**'Important:** As this withdrawal takes you over the £50,000 daily limit, you will need to call us to complete your request. Full details are provided after you have confirmed the request below.'

So, while I accept that for the E-bond, which was an online based account, the evidence suggests that Mr B could only have made the withdrawal instructions for the fixed term savings accounts by phone because of the sums being withdrawn. Mr B said he had to make contact four times by phone – from three separate countries as he was travelling – in order to try to complete the withdrawal. He says these calls were costly and some were for over an hour long and which left him very frustrated and concerned as he felt his money was being held hostage or that Skipton might automatically roll the matured proceeds into further fixed term savings accounts.

Skipton referred us to its response to Mr B's complaint in July 2022 and that Mr B had previously been told that he wouldn't be able to access his accounts while visiting the first of the overseas countries. It said the previous complaint was about the same issue.

That complaint response refers to Mr B having a UK registered phone which needed to be linked to the account in order for the second factor authorisation. Skipton hasn't said whether – for this complaint – Mr B's phone wasn't linked to the account, hence him not being able to receive a text to action his request. But the fact that he was able to do so on 23 October 2023 during a call with Skipton suggests to me that it was.

So, this further suggests that what was preventing the completion of Mr B's withdrawal instructions was the size of those withdrawals and in order for him to surmount that he had to call Skipton, which he did on four occasions but didn't receive any support. So, I can understand Mr B's frustrations when he was advised this wasn't possible and he had to complete the request online.

Skipton has referred us to a section of its savings account terms and conditions 'When we can stop you using your savings account.' It says;

'Sometimes, we might need to block your savings account. This will stop you accessing your savings account.

We'll only do this if we're acting reasonably, and:

- we think your security information is being used by someone else without permission (for example, if there's unusual activity on your savings account)
- there are other legal, regulatory or security reasons why we need to do so.'

But Skipton hasn't explained how either of these two conditions apply. And I can't see that it was 'stopping' Mr B from using his account. I think it was more that it needed Mr B to comply with certain requirements for the withdrawal process by dint of him having an online based account. But as I have explained above, I don't think this argument holds up, as Mr B needed to call Skipton for the large sums involved in the withdrawals – which he did.

Skipton has also told us that the online account was not a Payment Service Account. 'Meaning as we are a building society and not a bank, processes do differ and therefore we cannot offer the same services as a bank would do.' It hasn't elaborated on this any further,

but I see from Skipton's 'Focus Notes' for the complaint that with reference to the call of 15 September 'Nominated bank account details should not have been added for an online account.' But Skipton hasn't given me any reason why this is the case or what that means. And I would be surprised if any type of savings account couldn't have a UK nominated bank account attached to where withdrawals could be directed.

In response to the investigator's comments about informing Mr B about localised services if outside of the UK Skipton said it 'cannot be responsible informing the customer of alternative services whilst in this [overseas] country.' But I don't think that is relevant here. What is relevant is that Mr B needed to make any withdrawal from an account that was based online. While I accept that Skipton has said that it couldn't offer a phone facility for this purpose but it's clear that Mr B would need to make a call because of the size of the transactions. So, I think the service Skipton provided to Mr B wasn't very helpful or supportive. He was just repeatedly advised over the phone to set the instruction up online even though that instruction couldn't have been completed in any event because of the size.

It follows that I uphold Mr B's complaint.

### **Putting things right**

I don't find it surprising that Mr B was frustrated by Skipton's lack of understanding of what he was trying to achieve and lack of flexibility in trying to assist him to resolve the matter. He did suffer distress and inconvenience because of the service he received so I agree with amount of £200 as recommended by the investigator is a reasonable reflection of the level of upset Mr B was caused.

### **My final decision**

For the reasons given, my final decision is that I uphold Mr B's complaint about Skipton Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 31 May 2024.

Catherine Langley  
**Ombudsman**