

The complaint

Mr T complains about the service he received from Bank of Scotland plc trading as Halifax.

What happened

Mr T is a customer of Halifax and in July 2023, he wasn't able to log in to his mobile banking app. Mr T spoke with Halifax which told him that he had made too many failed log in attempts so his account had been locked.

Mr T was concerned that someone may have been trying to access his account as he had not tried to log in himself.

Mr T spoke to various agents at Halifax and tried to log in to both the mobile app and online banking without success. In the end, Halifax had to send Mr T information by post so that he could regain access to his account.

The same problem happened in October 2023 and Halifax upheld Mr T's complaint saying there had been a technical issue which impacted users of the mobile banking app. Halifax credited Mr T's account with £30 to apologise.

Mr T was unhappy with the outcome and said he did not receive Halifax's final response and had not agreed to closing his complaint.

Our investigator upheld Mr T's complaint. He thought it possible that technical issues in July 2023 meant it seemed Mr T had made too many password attempts when this wasn't the case.

Our investigator thought there had been delays when Halifax had to send multiple password reset codes. On one occasion, Halifax failed to request the relevant code. Our investigator noted that Mr T would have had other ways to access his account but thought that for the issues he'd encountered, £100 compensation was appropriate. This meant that Halifax would need to pay Mr T a further £70 if he accepted.

Halifax accepted the investigation outcome but Mr T disagreed. He has sent us several recordings of calls with Halifax. Mr T didn't think that £100 fairly reflected the experience he had.

After considering Mr T's complaint, I issued a provisional decision on 2 August 2024 in which I said:

I realise that I have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules that govern our service allow me to take this approach. But this doesn't mean I have not considered everything the parties have given to us.

I have listened to several recordings of calls that took place in July, October, and December 2023. Having done so, I am minded to uphold Mr T's complaint and

require Halifax to pay more compensation than our investigator recommended. I will explain why I consider a higher award is justified.

There is some uncertainty over why Mr T's mobile banking access was locked in July 2023. Halifax told Mr T that there had been an unsuccessful log in attempt on 5 July 2023 at around 4:40pm. Mr T is adamant that he could not have made the attempt as he was driving at the time. He also pointed out that he uses face recognition to open the mobile app, so would not have needed to input a password.

I find Mr T's testimony persuasive and am not convinced that he made failed attempts to log in to his mobile banking app. My view is reinforced by the calls that Mr T had with Halifax in July 2023. Mr T's recollection of events on the day he is supposed to have made the log in attempt is clear. This means that either a third party somehow gained access to his mobile phone and mobile app or there was a glitch in Halifax's system.

I don't consider it necessary for me to make a finding either way to uphold this aspect of Mr T's complaint. I say this as I think had Halifax done a better job of responding to his concerns during calls on 6 July 2023, the problem could have been resolved sooner.

Having listened to the calls, it was not until Mr T had been on the phone for an hour, to at least two separate agents, that Halifax thought to check whether the mobile number it held for him on file was correct. It turned out that the mobile number Halifax held was a digit out. This meant Mr T could not have received the text messages necessary to confirm his identity and pass through the higher level of security.

When Halifax identified that the mobile number it held was incorrect, the agent told Mr T that an earlier agent should have been able to resolve the problem. However, by the time the third agent was involved, Mr T had made so many attempts to gain access to his account online that the only way to unlock it – and change his mobile number – was for Halifax to send security information in the post. Had Halifax dealt with things better in the first place, it seems likely that Mr T would not have spent as much time on the phone as he did and Halifax may have been able to resolve the problem without needing to send security codes in the post. It also turned out that the username Mr T thought he had, had been changed by Halifax's system from his email address to a version of his name. It seems to me that this may have contributed to some of the problems Mr T had when logging in to his account. I don't think that Mr T was aware of the change until Halifax told him on the phone. So, if any of the problems logging in were caused by Mr T inputting the wrong username, I can't see that this was his fault.

There were further issues once Mr T received the security number in the post which was then going to allow Halifax to complete the higher level security process. The first agent Mr T spoke to appears to have incorrectly changed his mobile number to a 12 digit number. This meant that when Mr T spoke to the second agent, he had to spend several minutes convincing the agent that the number he was giving him was correct. This added to the already growing sense of frustration felt by Mr T and led to longer call times.

Although the problems were finally resolved in July 2023, Mr T encountered the same mobile app log in issue in October 2023. Again, he was told he'd made too many failed log in attempts and that Halifax would need to send him a PIN by post. Mr T says that an agent promised a call which he did not receive and the code did not arrive in the post.

This time, Halifax said there had been a known system issue and paid £30 compensation. I know that Mr T says he didn't receive Halifax's final response so the payment landed in his account without explanation. However, complaint handling in itself is not a regulated activity about which we can usually consider complaints. So, although Mr T feels Halifax should have managed his complaint better than it did, I have not reflected any failings about the complaint process in my award. I hope that Mr T understands.

I appreciate our investigator recommended that Halifax pay Mr T a total of £100 compensation – to include the £30 already paid and Halifax accepts this. However, I don't consider this goes far enough to put things right.

When thinking about fair compensation, I am mindful of the guidance on our website. An award of £100 sits at the bottom of the range of award we might make where the mistake has required a reasonable effort to sort out and the consumer has experienced some acute stress. Given the inconvenience caused to Mr T together with the concern that a third party may have tried to access his account – and because this happened on two separate occasions - I consider an award of £200 better reflects the upset caused. This includes the £30 already paid. So, if Mr T accepts my decision, Halifax would have to pay a further £170.

Further submissions

Mr T accepted my provisional decision and Halifax did not reply.

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.

As Mr T accepts my provisional decision and Halifax has not responded, I consider it fair to make my final decision along the same lines and uphold this complaint.

My final decision

My final decision is that I uphold this complaint. In full and final settlement, I require Bank of Scotland plc trading as Halifax to pay Mr T £200 from which it can deduct any compensation already paid for this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 20 September 2024.

Gemma Bowen
Ombudsman