

The complaint

Miss P complains that Santander UK Plc deleted her telephone banking credentials due to an error on its part and that this caused her considerable trouble in getting the issue resolved.

What happened

In April 2024 Miss P spoke to Santander about a direct debit she had with one of her utility providers. In the course of that conversation, the adviser told her that there was a record of her logging onto her online account that today. Miss P explained that she wasn't registered for online banking as she didn't use it. The adviser told her that in that event her account had been compromised and somebody was logging onto it in her name. They arranged to cancel her credentials.

Unfortunately the adviser had made a mistake, as the entry they saw was not online banking. However Miss P was understandably made quite anxious that her account was being used fraudulently. This set off a chain of events, leaving Miss P without access to telephone banking and her repeatedly being told that she had to reset it using voice ID which she didn't want to do and hadn't done before. She made a series of phone calls to Santander over the next couple of weeks, and new credentials were sent out to her even though she hadn't asked for them. She thought that her account had been blocked and that she wasn't able to use her card or the ATM. Although it was later explained to her that she could use the ATM this was inconvenient for her as she has poor health and it was a 20 minute walk away.

Overall it took three weeks, and a number of phone calls, for Miss P's access to telephone banking to be reinstated. Santander offered £50 for the inconvenience caused and later increased that to £150.

On referral to the Financial Ombudsman Service our Investigator said that, for all the problems caused to Miss P, Santander should increase its offer to £250. Santander accepted that proposal.

Miss P was not happy with that, and the matter has been referred to me for an Ombudsman's consideration.,

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 have to advise Miss P first of all that we are an alternative dispute resolution service. Our function is to resolve complaints informally. We look at complaints as a whole rather than go into each and every individual point. I have listened to the phone calls that Santander has supplied and I'm satisfied that I have enough information both from those calls and from the calls Miss P has made to our Investigator and the other information provided, to make a decision on her complaint.

Miss P's difficulties arose out of a simple error made by the adviser when she spoke to them in early April 2024 making a query about a direct debit. But in the course of that she was told mistakenly, that someone had used her credentials to log on to her online account. And I can tell from the calls that she made and from the number of times she contacted Santander that this caused her a great deal of worry and inconvenience. The initial error was compounded by the fact that her account had to be totally reset with new credentials. And it was not explained to her clearly that the account was not in fact totally blocked. I understand that she could have used her debit card after her initial phone call and up until the time her telephone banking was reset, but this was not made clear to her.

As a result Miss P thought she didn't have access to her account until it was reset on 24 April 2024.

Our Investigator proposed that Santander pay £250 compensation. Such an award might be appropriate where more than the levels of frustration and annoyance we might reasonably expect from day-to-day life have occurred, and the impact has been more than just minimal. I certainly think that applies to Miss P's case. And whilst I understand how upset and anxious this would have made her, the matter was resolved within 3 weeks. So I think in the circumstances that the right level of compensation has been proposed.

Putting things right

Santander should pay £250 compensation.

My final decision

I uphold the complaint and require Santander UK Plc to provide the remedy set out under "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 6 November 2024.

Ray Lawley
Ombudsman