

The complaint

Mr W is upset that The Co-operative Bank Plc (The Co-op) allowed a third party to amend details on his credit card account and restricted his access to it.

What happened

In September 2024 Mr W discovered that a third party had been allowed to amend the email, address and mobile phone number on his credit card account.

The Co-op explained that the fraudster had been able to provide all of the requisite security information. They didn't think they'd done anything wrong when they blocked the account and they noted that their staff had followed the security procedures they had in place. But they understood that the issue had caused Mr W some distress and inconvenience and they offered £150 in compensation.

Mr W referred his complaint to this service, but our investigator didn't think the Co-op had been unreasonable. He, therefore, asked for a decision by an ombudsman. He didn't think the compensation was sufficient and he thought the bank's security processes were inadequate.

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 was sorry to hear about the problems Mr W had. I know it will disappoint him, but I'm not asking the Co-op to take any further action. I'll explain why.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here, I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point, it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

I've listened to the calls the fraudster made to the bank and it's clear that the bank asked the relevant security questions, and that the scammer provided the requisite information. While I can understand that Mr W will be concerned about security protocols given that this is the second time his account has been fraudulently accessed, it's not for this service to tell the bank to change its security system. We are an alternative dispute resolution service and not the industry regulators. The Financial Conduct Authority (FCA) would be the appropriate body to consider that type of operational issue with the bank but we can consider the impact any failure on the bank's part has had on Mr W.

The fraudster in this case was convincing. He had access to significant personal details that enabled him to convince the bank to make the changes they did. It was only on the third call

when different security information was requested, that the bank had concerns. They appear to have acted quickly to protect the account and block it and that prevented any withdrawals being made.

I understand that Mr W had to visit a branch to confirm his identity, but I think that was understandable and necessary. The Co-op weren't able to call him to confirm identity as they were concerned the phone number they had was incorrect. Mr W was embarrassed to find his card was blocked and he couldn't make payment at a restaurant. But the account was blocked to protect Mr W and I don't think it would be fair to suggest the Co-op were wrong to do so. He's also been inconvenienced as he's been asked to clean data from his mobile phone and laptop and to change his email address, but those actions seem sensible and stem from the fraudster being able to gain access to sensitive personal information and not from any mistake by the Co-op. However, I can see that it took some time for Mr W to resolve matters on the phone and that he was unable to get in touch with the Co-op as their offices were closed. I think he did experience some distress and inconvenience as a result and, in the circumstances, I think the £150 the Co-op have offered is reasonable.

My final decision

For the reasons I've given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 30 April 2025.

Phillip McMahon
Ombudsman