DRN-5719083

Financial Ombudsman Service

The complaint

Mr M complains that Barclays Bank UK plc trading as Tesco Bank ('Tesco') didn't remove his mobile number from his contact information as requested, which led to Mr M being worried about a potential security breach on his credit card account.

Mr M wants Tesco to tighten up their procedures and pay him more compensation.

What happened

In December 2024 Mr M's phone was stolen. He rang Tesco to ask that his mobile number be removed from his contact information, as he couldn't do this online. Mr M didn't want the thief to try and access his account using passcodes sent to his mobile phone. Mr M also contacted his mobile provider, and they blocked his SIM card.

Mr M later got a new mobile phone and a new SIM card with the same number. He complained to Tesco that he was able to log into his account with a code that was sent to his mobile.

Tesco accepted their agent should have asked Mr M about other accounts he might hold with them, so that his number was removed entirely from their records. Tesco apologised, gave feedback to the relevant team, and paid £40 to Mr M.

Mr M referred his complaint to the Financial Ombudsman Service saying he felt Tesco should tighten up their procedures and compensate him for exposing him to a security breach.

Our investigator didn't uphold Mr M's complaint, concluding that Tesco had acted fairly when resolving Mr M's complaint and didn't need to take further action.

Mr M strongly disagreed and sought an ombudsman's decision. He wanted to know if Tesco had followed their procedures correctly.

<u>My provisional decision</u>
I recently sent the parties my provisional decision, saying:

"I've taken into account any relevant law and regulations, the regulator's rules, guidance and standards, codes of practice and (where appropriate) what is considered to have been good industry practice at the relevant time.

Whilst I'll comment generally, I should clarify that I don't need to make a detailed finding on every aspect of what happened as there is already an acceptance that the service Mr M received fell below the standards expected. I've focused on whether Tesco's actions, and stance taken, are fair and reasonable in the circumstances of Mr M's complaint.

I intend to say that Tesco should increase the compensation they've paid to Mr M to £100, so a further £60 should be paid. However, I don't propose Tesco should do more than this. I'll explain why.

It's clear from Mr M's submissions that he'd like to drive change in terms of Tesco tightening up their procedures. He doesn't want his experience to be repeated for other customers. I think it's important to say that my role isn't to punish or fine a business, nor can I direct a business to change their practices or procedures – these are considerations for the Financial Conduct Authority ('FCA') as the regulator.

If Mr M has concerns that I'm unable to address, then he is at liberty to communicate these to the FCA who will review information they receive about the firms they regulate. However, the FCA won't respond to individual complaints.

Tesco accept they didn't effectively remove Mr M's mobile number in line with their usual procedure, because they'd not checked if Mr M had other accounts. I'm minded to say it was fair for Tesco to give feedback to the relevant team that this step of their process had been missed on this occasion.

I'm also minded to say it was fair for Tesco to offer some compensation to Mr M and I've thought about whether £40 is a reasonable sum.

I acknowledge Mr M wants his compensation to reflect the potential severity of a security breach. But I am unable to make awards that punish a business – my powers are limited to awarding compensation that recognises the impact of what actually happened.

I'm minded to say Tesco's compensation here should recognise Mr M's distress when he was able to log in with his mobile - he panicked that he'd see his account had been accessed. Mr M accepts this was short lived and followed by relief, but describes the initial feeling as being horrendous. I'm inclined to say Mr M has demonstrated through his efforts to protect his account that he was particularly concerned about a security breach, so I am minded to accept the experience was upsetting for him.

I'm also minded to say Tesco's compensation needs to reflect Mr M's inconvenience, as Mr M contacted Tesco a second time to question how he was able to get access to his account. Initially Mr M was told his mobile number had been removed and I'm minded to say it took some explaining on Mr M's part for Tesco to identify that there was an issue. Mr M then raised a complaint with Tesco to get to the bottom of this.

Overall, I'm inclined to say Tesco's offer of £40 is a bit short of what I consider to be a reasonable sum in these circumstances. I intend to say it would be a fair outcome for Tesco to increase Mr M's compensation to £100."

<u>Responses to my provisional decision</u>
Mr M replied to say he accepted my provisional findings. Tesco didn't reply and as the timeframe for doing so has now passed, I can issue my 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 see no reason to depart from my provisional decision, set out above with reasons. I think it's fair that Tesco increase Mr M's compensation to £100 in these circumstances.

Putting things right

Barclays Bank UK plc trading as Tesco Bank must pay a further £60 to Mr M, making his compensation £100 in total.

My final decision

For the reasons I’ve outlined, Barclays Bank UK plc must put things right as I’ve set out above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr M to accept or reject my decision before 26 August 2025.

Clare Burgess-Cade
Ombudsman