

## **The complaint**

Mr W complains about the problems he experienced when making faster online payments and the service he received from Bank of Scotland plc ("BOS") when he raised this with it.

## **What happened**

Mr W attempted to make two £500 faster online payments to a building society on 6 September 2023 but one of the transactions failed due to a technical issue with the online banking system.

Mr W noticed this when checking his bank statement a year later and called BOS about this on 11 September 2024 to find out what had happened as he'd raised a complaint previously about other transactions that had not gone through during the same period.

Mr W was unhappy with the service received during this phone call as the call handler wasn't able to confirm the reference issued with the transaction or aware there was an issue on BOS's side and Mr W felt the call length to be unacceptable. So Mr W asked for a complaint to be registered, the call handler explained this could take some time and offered to make a payment of £40 to apologise for the inconvenience. This was increased to £50 with Mr W's agreement and credited to his account.

Mr W wished to know what would be done about the issue and whilst the call handler went to check this Mr W decided to disconnect the call due to call costs as he had been on the phone for around 38 minutes.

Mr W called BOS back to get a complaint reference and indicate he was unhappy with the £50 compensation and how long the previous call had taken and raise a complaint about how the call had been handled. It was explained that it would take some time to gather the information and register the complaint, but the phone line was kept open while Mr W went and attended to other tasks.

BOS issued a final response on 8 October 2024 and explained that a technical fault with the system meant payments were sent with a previous reference and not a new reference and acknowledged Mr W was inconvenienced by this and experienced excessive call duration including extended hold times. To compensate for this BOS paid Mr W a further £30.

Mr W was unhappy with this as he felt customers should've been made aware of the issue at the time and wanted a further £150 compensation. BOS disagreed as the technical issue only affected a small number of customers and felt the £80 compensation paid was fair.

Mr W emailed BOS again on 24 November and BOS issued a further response on 9 January 2025 saying its decision remain unchanged and so Mr W brought his complaint to this service. Mr W wants greater compensation for the distress and inconvenience caused and failure of BOS to address his points made in his email of 24 November.

BOS have explained that there was a technical issue which had affected a small number of customers. It provided computer records that show two payments for £500 were processed

on 6 September 2023, but one payment with an updated reference reverted to the previous reference and was returned due to the terms of the account. BOS said its IT department investigated the matter at the time and the issue was resolved in September 2023.

BOS has also explained that Mr W previously raised a complaint about the same issue in November 2023 and BOS had informed him then that there had been a technical error that had since been resolved and had compensated him £200 and £44.50 to cover lost interest.

One of our investigators looked into Mr W's concerns and although they agreed Mr W had been inconvenienced and BOS's call handler could've addressed the matter better, they reached the conclusion that the £80 compensation BOS had paid was fair for the distress and inconvenience suffered.

And as BOS had given Mr W referral rights to this service and confirmed its decision wouldn't be changing, they didn't think BOS had done anything wrong by not engaging in further correspondence with Mr W or addressing further points made following its final response.

Mr W disagreed. He says the £50 was to cover the call costs that lasted over an hour along with the time spent and the distress caused when he had to call BOS back and the £30 for the inconvenience caused by the technical fault and that he hasn't been compensated for the inconvenience incurred in communicating with the recipient of the transfer and wants a further £150 compensation.

Mr W believes BOS should have made the customer service team fully aware of the existence of the fault as soon as it was discovered and as soon as the fault was rectified. Mr W has asked for an ombudsman's 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.

My role is to look at problems that Mr W has experienced and see if BOS has made a mistake or treated him unfairly. If it has, we seek to put - if possible - Mr W back in the position he would've been in if the mistakes hadn't happened. And we may award compensation that we think is fair and reasonable.

BOS have already acknowledged that there was a technical fault with its online banking that its call handler was unaware of and that Mr W had to spend some time on the phone reporting the issue and raising a complaint. To compensate for the inconvenience BOS has already paid Mr W £80 in total.

So I don't need to make any findings here. What I need to consider is whether this compensation is enough to put things right for Mr W.

Mr W doesn't think it is and is seeking greater compensation.

But BOS has acknowledged that there was a technical issue and confirmed that its IT department investigated this at the time and that the issue was resolved. I accept this was inconvenient for Mr W but in terms of correcting its mistake, I don't think there is anything much more BOS could do.

Mr W believes that BOS's customer service team should have been fully aware of the existence of the fault and when it was resolved. But given the minimal amount of customers

this affected and the time that passed since the issue occurred – around one year - I don't agree. It simply wouldn't be practical to inform all staff about a technical issue that may or may not be affecting a small section of customers when staff can raise or enquire about the issue when it is reported. And I don't think it's reasonable to expect BOS to report on issues retrospectively or expect staff to remember everything that has happened in the past.

I accept that Mr W had to spend some time on calls to BOS to get an answer regarding the payment issue and to raise his complaint which was frustrating and inconvenient for him. But BOS's call handler needed time to investigate and understand what had happened before they could provide this information which I don't think is unreasonable.

I appreciate Mr W doesn't think the compensation is enough, but things don't always go smoothly and sometimes one has to spend some time on personal administrative issues. Mr W hasn't suffered any direct financial loss due to the technical issue, and it is not our role to punish or penalise the businesses we cover that is the role of the regulator – in this case the FCA.

And so on this basis and because I think the compensation of £80 already paid to Mr W is fair for the impact BOS's technical issue had on Mr W and for any potential call charges he suffered in reporting the issue I'm not going to ask BOS to do anything more.

### **My final decision**

For the reasons I've explained, I've decided that what Bank of Scotland plc has already done to settle Mr W's complaint is fair and I'm not going to ask it to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 17 November 2025.

Caroline Davies  
**Ombudsman**