

## The complaint

Mr S complained about what happened when Bank of Scotland plc blocked his account and he was asked to go to a branch to verify his identity.

## What happened

Bank of Scotland blocked a payment Mr S wanted to make and sent him a message requesting him to phone its fraud operations team. When he did this, the Bank of Scotland call handler asked him a series of questions to establish that he was speaking to Mr S. But the call handler wasn't satisfied that Mr S had provided enough information for him to pass verification over the phone.

Unfortunately Mr S wasn't near a Bank of Scotland branch where he could have gone to sort this out and he needed to make an urgent payment. So the call handler told him to go in person to a branch of one of the other banking businesses in the Bank of Scotland group, where he could prove his identity in person whilst speaking to the fraud team on the phone.

When Mr S attempted to do this, the branch manager declined to assist on the basis that Mr S was a Bank of Scotland customer and not a customer of his bank. He did however enable Mr S to call Bank of Scotland's fraud team from the branch. And although the manager wasn't prepared to speak to the fraud team himself, Mr S was eventually able to pass security and allowed to complete the payment he wanted to make. Before the call ended, Mr S accepted a £40 payment arranged by the Bank of Scotland call handler by way of apology for the branch manager's refusal to assist in sorting things out.

Mr S complained further however about the way the branch manager treated him after the call. He said that he'd been rude and abusive towards him and humiliated him in public, eventually insisting he leave the branch through a back door.

Bank of Scotland upheld Mr S' complaint saying that it was disappointed to hear about the poor service from fraud and branch colleagues. Bank of Scotland paid £70 into Mr S' account in recognition of the distress and inconvenience caused.

Unhappy with this response, Mr S brought his complaint to us. When our investigator looked into what had happened, Bank of Scotland reviewed its decision. It said that having listened to the call recordings, it wanted to increase the payment made by £130 (taking the total to £200 total) for distress and inconvenience caused. Our investigator thought that seemed fair.

Mr S mainly said that we hadn't fully understood his strength of feeling about what had happened in branch. And he was unhappy that Bank of Scotland hadn't actioned his complaint or apologised to him for what happened until we got involved.

When the complaint came to me to decide, I issued a provisional decision. Here's what I said:

## My provisional decision

I've independently reached the same overall conclusions as our investigator and I'm planning to uphold this complaint and tell Bank of Scotland to pay the additional £130 compensation it offered. I'll explain my reasons.

My role is to consider the evidence presented by both parties and reach what I think is an independent, fair and reasonable decision overall based on the facts of the case. So I've looked at what happened with this in mind. Mr S has sent us detailed accounts of his experience in branch. Although I haven't always needed to refer to everything in the same amount of detail as Mr S, I'd like to assure him that I've carefully considered everything he's said.

It seems to me there are two main aspects to Mr S' complaint and the key thing I have to decide is what amount of compensation is fair and reasonable here.

## Mr S' dealings with BoS fraud operations team

Bank of Scotland couldn't simply rely on Mr S authorising the payment he wanted to make even though he was attempting to spend money from his own account. Like all banks, Bank of Scotland has legal requirements it must observe and regulatory obligations imposed by the Financial Conduct Authority ('FCA'). This means that Bank of Scotland has to have processes in place to keep customers' money safe.

I can understand why, from Bank of Scotland's point of view, it had grounds for valid concerns about whether it could safely approve the payment Mr S wanted it to make. He wasn't able to complete all the security questions Bank of Scotland asked him when it needed to check that he was who he said he was. I appreciate that Mr S was able to volunteer other personal information. But this information wasn't part of Bank of Scotland's process which meant that the call handler couldn't rely on this to help verify Mr S' identity.

So I can't fairly say that Bank of Scotland made any error when the payment Mr S wanted to make was stopped pending verification of his identity and completion of necessary security checks. And it was reasonable that Bank of Scotland also then blocked his account to protect the money in it whilst it investigated its concerns.

Nonetheless, Bank of Scotland still needed to act in a fair and reasonable way towards Mr S and Bank of Scotland has accepted that its fraud team didn't provide the level of service Mr S was entitled to expect. Bank of Scotland said its call handler unfortunately gave Mr S the wrong advice when it named a couple of branches he could visit to sort things out.

I've also taken into account that during a similar call for a fraud check just a couple of days earlier, Mr S told Bank of Scotland several times that his particular circumstances limited some of his options for verifying his identity. He'd said he didn't find it easy to take photos with his phone and wasn't sure how to upload images or send these to Bank of Scotland. And bearing in mind that he'd been a victim of a scam previously, I think this put the onus on Bank of Scotland at that point (so before the incident that prompted this complaint) to check whether Mr S might need some reasonable adjustment to the way it carried out its dealings with him – or at least ask him about this. Had that happened, I think the first call handler he spoke to when the payment he wanted to make was blocked would've been alerted to the need to engage more constructively with Mr S. I think he might've usefully further explored some other ways Mr S could satisfy Bank of Scotland's security process instead of telling him to go to a branch – which Bank of Scotland has said was wrong advice in any event. And I think the call handler could've been more patient and understanding with Mr S when it was evident that he was finding aspects of the call upsetting. There were also times when the call handler was speaking over Mr S and simply repeating information when it was clear Mr S was finding it hard to understand why his identity was an issue and becoming increasingly frustrated.

Bank of Scotland agreed that Mr S spent approximately two hours on the phone trying to unblock his account as well as being given wrong advice. So I'm awarding compensation for all this and I'll say more below about how I've decided on a fair overall amount.

### What happened in the branch.

I'm very sorry for how what happened in branch made Mr S feel. But whilst Bank of Scotland admitted that it shouldn't have told him to go there, it wasn't responsible for the branch manager's actions or decisions. That's because although the bank Mr S went to was part of the same business group as Bank of Scotland, it operated separately from Bank of Scotland and Mr S wasn't a customer of that bank. We'd still expect Mr S to be treated courteously and with due respect. Given his concerns about the way he was treated, I am pleased to note that Bank of Scotland thanked Mr S for making it aware of what happened and that it sent feedback to the branch manager's line manager for further action as appropriate.

Mr S said he wanted the branch manager to be sacked. But just to be clear, it's not within my remit as an Ombudsman to tell Bank of Scotland how to discipline employees. And I wouldn't expect Bank of Scotland to tell Mr S or us what internal action it takes with individual staff members. So I've mainly concentrated on the question of fair compensation.

### Compensation

Our approach to redress is to aim to look at what's fair and reasonable in all the circumstances of a complaint. I've thought carefully about how the shortcomings in Bank of Scotland's customer service impacted on Mr S.

Given everything I've said above, the below par service issues I've identified and Bank of Scotland's admission that the service it provided Mr S fell short of the standard of service he was entitled to expect, I consider that Bank of Scotland's offer to pay a further £130 is fair.

In coming to my decision, I've allowed for the fact that Bank of Scotland also accepted that Mr S wrote a complaint letter to the bank which was returned to him and he then telephoned the bank to make a complaint and was on the phone for an hour.

Also, after Bank of Scotland had issued its Final Response letter, Mr S wrote back but his letter was not acknowledged by the complaint manager. This all added to Mr S' poor customer experience and I don't feel that any smaller compensation award would be adequate to address what happened here.

I am aware that when making this offer, it appears that Bank of Scotland overlooked the fact that Mr S has already received payments of £40 and £70 in respect of this matter. But even allowing for this, I am satisfied that a further payment of £130 (taking the total compensation amount to £240) is in line with the amount this service would award in similar cases, and fair compensation for Mr S in his particular circumstances.

### **What the parties said in response to my provisional decision**

Neither party has sent me any further comments.

### **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'm satisfied that this is a complaint I should uphold and that Bank of Scotland should pay the compensation it has offered, for the reasons explained in my provisional decision.

**Putting things right**

Bank of Scotland should pay Mr S a further £130, as it has offered to do, to put things right.

**My final decision**

I uphold Mr S' complaint and Bank of Scotland plc should take the steps set out above to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S and Mr S to accept or reject my decision before 12 January 2026.

Susan Webb  
**Ombudsman**