

## **complaint**

Mr O complains that he was unable to log in to his account online. He says that this has inconvenienced him and resulted in Santander UK Plc charging him overdraft fees. And he says that the bank did not investigate his complaint quickly enough.

## **background**

In early 2014 Mr O set up an account with Santander. He intended to use this account for online banking. But in June something went wrong and he was unable to log in to his account. He says that Santander was too slow to deal with this problem, and that it was not resolved until September. In the meantime, his account exceeded the agreed limit because he was not able to monitor it.

Then the login problem recurred again. Mr O says that apart from some brief periods, he was unable to access his account online for over 200 days. During this time Santander imposed more overdraft charges. Mr O says that he could have avoided this if he had been able to keep track of his account online. Some of these charges were refunded, to help him manage his finances. But he wants them all to be refunded. Of greater importance to him, however, is the inconvenience of being unable to access an account he always intended to use for online banking. And he says that Santander provided poor customer service when dealing with his complaint.

Santander says that it has already done enough for Mr O. It says it is Mr O's responsibility to monitor his own account, and there were other ways he could have done so besides online – and it had been sending him paper statements.

Our adjudicator thought that Santander had taken six weeks to give Mr O new login details in 2014. She felt that £150 would be fair compensation. But she did not recommend that any more charges should be refunded.

Mr O does not think that £150 reflects the trouble he has been caused. Since then, one of Santander's call handlers has refunded another £120 of charges. Santander said that this was done in error, as the call handler had not realised that some refunds had been made already. But Santander says it will honour this refund anyway. In the meantime, I have looked into this case.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Mr O's complaint is mainly about the hassle he has been caused by his online account not working properly. The bank charges are just one of the consequences of this. I'll deal with the bank charges first.

### *bank charges*

One of the points our adjudicator considered was whether Mr O could have done more to help himself avoid the bank charges. She pointed out that besides online banking, Mr O had other ways to monitor his account. He could have checked his balance at a cash machine and printed a mini-statement. He could also have gone into his local branch, or enabled text message alerts to his phone. And Santander says that it was sending him paper statements.

Mr O says that this is beside the point, and not quite accurate. He wanted an account he could use online, so he had requested no paper statements. Santander only started sending him brief paper statements after he complained to our service, and these were not detailed. And going to his branch or using a cash machine would defeat the object of opening an account specifically for online banking. Lastly, his text message alerts were turned off, and he could not access his account to turn them on. Text alerts only became available in 2015 once he regained access to his account – which was only possible after our adjudicator's intervention.

So far as the bank charges are concerned, I agree with our adjudicator. Our approach is that people should try to minimise the impact of a problem not just by chasing the bank to fix that problem, but also by considering alternative solutions until the problem has been fixed. Although Mr O says he was unable to access his account online for long periods, there were times when he could but he did not activate text alerts. He sometimes went to his branch or to a cash machine, but not often enough to get to grips with his overdraft. I note that he had already incurred an unauthorised overdraft fee in early June, *before* he first lost online access to his account. So the overdraft was not solely the result of the online banking problems. And the charges were correctly applied in line with the account terms and conditions. So I do not think that Santander should have to refund any more charges.

Mr O has suggested that the charges he incurred in September and December caused subsequent charges to be applied to his account. As these charges were refunded, he wants the later charges to be refunded too, as if the September and December charges had never happened in the first place. But since the bank refunded these fees as a gesture of goodwill – not because it had to – I do not think it would be right to order it to refund any of the later fees as well.

Mr O also says that the unauthorised overdraft charges are capped at £50 each month. But since March 2014 the terms and conditions of the account have set the cap at £95.

### *interruptions in online banking service*

However the fact Mr O had other means to monitor his account does not really diminish the other inconvenience he has been caused. The whole point of him opening the account in the first place was so he could bank online. That was important to him. So how quickly Santander dealt with this issue is also important.

The login problems began in late June. The bank's records show that it sent Mr O new security credentials the next day. It sent them again at the end of September, which is two weeks after Mr O discovered his September overdraft charges. The bank was also quick to refund those charges. So I think that Santander began by dealing with Mr O promptly and sympathetically.

Mr O says that the login problems resumed not long later. He emailed the bank on 1 December to make a complaint. In that email he told Santander that it had taken "over six weeks" to send him his login details. This is the six weeks the adjudicator was referring to when she suggested £150 compensation.

But I can see from the bank's records that in late October Mr O was able to log in to his account, cancel a direct debit, and turn off text alerts. So while I accept that he had difficulties in November, I do not think they had lasted for as long as six weeks by the time he sent that email. I think that he first raised the new problems in November.

But the email does not actually go so far as to say that Mr O had received new login credentials by the time he sent it. And the bank's record of how it dealt with his complaint does not mention that new credentials were sent for a third time in 2014, even though it does mention that he had requested them again. The letters Santander sent him in December do not mention the login issue at all. They only refer to the bank charges. So I accept that Mr O's login problems continued well into 2015, without Santander addressing them.

While Mr O did manage to log in in January, the bank's records support his claim that he was unable to navigate further than his account's homepage. He was only online for one minute. In February Mr O attempted to log in, again unsuccessfully. Santander says that this is because he tried to use his old security credentials instead of the new ones. But while I accept that explanation, I do not think that it detracts from the bank's responsibility to send out new credentials when a customer requests them. New credentials were not sent until late in April 2015 – and only after the adjudicator intervened on Mr O's behalf. So I think that Santander could have resolved Mr O's login problems more quickly than it did after the third time he raised them. It should not have taken so much time, or so many phone calls and emails by Mr O or by our service.

I think that having to wait for six months to have new login credentials to be sent to him, and ultimately at the adjudicator's request, merits compensation at the high end of our "moderate" category of non-financial loss, which is £500. So I did not think that the adjudicator's proposal of £150 was enough. But since then Santander has refunded another £120 of charges, on top of the original £214. So taking that £334 into account, I now think that £150 is enough, and is fair and reasonable.

### **my final decision**

My decision is that I uphold this complaint in part. I direct Santander UK Plc to pay Mr O £150 (in addition to the £334 it has already refunded).

Under the rules of the Financial Ombudsman Service, I am required to ask Mr O to accept or reject my decision before 20 July 2015.

Richard Wood  
**ombudsman**