

complaint

Mrs and Mr P say Santander UK Plc made mistakes with their current account and hasn't kept their data safe, causing them distress and inconvenience.

As most of our communication has been with Mrs P, to keep things simple I'll refer only to her in this complaint.

background

Mrs P visited branch to transfer and deposit some money. Two days later Santander sent her a text message to say it was sending her a new debit card and that she should get in touch if she hadn't requested it.

Mrs P hadn't requested the new card, so she called Santander. It blocked and cancelled the new card, and explained it had been ordered the day after Mrs P visited branch, perhaps because of a computer or human error.

Very soon after, Mrs P visited branch again to make a deposit. At this visit she was told her existing debit card had also been blocked. Mrs P says she became worried about what was happening with her account, so she called Santander and it raised a complaint for her.

In its final response, Santander said the branch had made an error – that in carrying out its standard internal risk checks the day after she'd visited, a staff member had incorrectly copied and pasted Mrs P's card number and so generated a new card in error. Santander also said that when Mrs P called to say she hadn't asked for a new card, it hadn't told her stopping the new card would also invalidate her existing card.

Santander apologised for this and offered Mrs P £75 compensation for her distress and inconvenience. It also confirmed it would send a new debit card to Mrs P's home address now it had checked her post box details with her and updated these on its system.

Later the same day, while at a special event with Mr P, Mrs P received an email from Santander saying her new debit card was being sent to a branch. Mrs P says this email caused her a lot of worry and spoiled her evening, as she'd been told her new card would be posted to her home. She says it made her even more worried about Santander branch staff accessing her details when she wasn't present.

So Mrs P asked our service to investigate. She told us she didn't think Santander was keeping her data secure, and the thought of this together with the mistakes it had made caused her a lot of distress. Mrs P also said Santander had caused her inconvenience, as she'd had to make calls to put things right and was left without a debit card for about a week.

Our investigator asked Santander for a more detailed explanation of its error. It said that under branch procedure, the type of transaction Mrs P had carried out in branch meant that a risk control check was required the next day to make sure the card Mrs P used was active with no blocks. It says that when carrying out this check, a staff member copied Mrs P's card number. When moving onto another customer's account profile, the staff member incorrectly pasted Mrs P's card number into the other customer's request for a new card, which meant a new card was ordered for Mrs P instead of the customer who'd asked for it. And Santander said Mrs P's card number had only been seen by the agent who made the mistake, and not by other customers or third parties.

Our investigator shared this explanation with Mrs P and said she thought Santander's offer of £75 was fair compensation. But Mrs P disagreed. She said Santander hasn't told her it would take a day to do checks on the transfer, that £75 wasn't enough to reflect her distress and inconvenience, and that Santander should change its checking process. She maintained there had been a serious breach of her data. Therefore, this complaint was referred to me for a decision.

I contacted Santander to say I thought it had caused Mrs P distress by incorrectly ordering her a new card and by the email it later sent. And I thought Mrs P was inconvenienced by the calls she'd needed to have with Santander and by being left without her debit card for a time. Given this, I thought fairer compensation was for Santander to pay a further £125 in addition to the £75 it had already offered Mrs P.

Santander agreed, and I've gone on to make a final decision.

my findings

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'm upholding this complaint.

Santander accepts it incorrectly ordered a new card for Mrs P when she hadn't asked for one, and it's given our service a more detailed account of how that happened. I agree Santander made a mistake here, and I accept what it says as a reasonable explanation for that mistake – essentially that when moving between records while carrying out risk checks, a staff member pasted Mrs P's card number into the wrong box on its system. I've seen no evidence to suggest that Santander's explanation for how this happened isn't correct. It is a fact that branch staff will have access to customer's accounts and details even when a customer isn't in a branch. This is simply how banks operate, and why it has additional security checks. This does mean that from time to time mistakes can happen. And on balance, I think that this is what happened.

Mrs P says Santander didn't tell her about these checks and should change its processes. As explained above, like other banks, Santander carries out a range of checks and I wouldn't have expected Santander to tell Mrs P that it was going to do these checks – given that they are for security purposes, they are commercially sensitive and can't be shared typically. And it's not for our service to tell businesses what their processes should be. Instead, we consider individual complaints and the impact and loss they have caused.

Santander itself says that when Mrs P called to say she hadn't requested the new debit card, it didn't tell her that cancelling that card would also affect her existing debit card. Having the debit card for her current account blocked would have been inconvenient for Mrs P, so I agree Santander should have told her about that when she called.

Santander's contact notes suggest that when Mrs P called about the email she'd received to say her new card was being sent to branch for collection, it told her the email was a normal security procedure triggered when a new card is ordered. And it told her that because it had changed her address post box details on the same day as ordering her new card, it was likely its system updates hadn't recognised the post box change.

Given what Santander knew of Mrs P's concerns, I think in this particular case that when ordering this card for her it would have been good customer service for Santander to tell Mrs P she might receive an email about her new card and that the email might be worded differently to what they'd agreed because of the post box change.

So I agree Santander has made mistakes.

In this case Santander has apologised, given feedback and offered Mrs P £75 compensation for her distress and inconvenience. But Mrs P says this isn't enough to reflect her ruined special event, the worry she was caused about fraud and the security of her data, and her inconvenience in having to call Santander to get its mistakes sorted out and being left without a debit card. So I've considered whether I think Santander's offer of compensation is fair given the circumstances.

I understand Mrs P is very concerned about the security of her data and what might have happened to the money in her account. However, Santander has confirmed Mrs P's data hasn't been seen by other customers or third parties and I've not seen any evidence to suggest otherwise. And I've not seen any evidence to suggest anything has happened to the money in her account. So I can't say there's been any financial loss here or that her personal information has been compromised.

But I'm satisfied Mrs P has been caused distress. She would have been worried to find out that a new card had been ordered without her requesting it. While Santander acted quickly to block that card and look into what had happened, it made a further mistake in not warning her she might get an email saying her new card would be sent to branch. This would've undermined Santander's previous reassurances and caused Mrs P further concern that something untoward might be happening with her account. And Mrs P says she received this email in the middle of a special event, which spoiled the event.

I'm also satisfied Santander caused Mrs P inconvenience. That's because Mrs P had to have several calls with Santander, and she says she was left without her debit card for about a week as Santander had to order a her new card due to stopping her existing card. I don't think Mrs P would have been in that position if not for Santander's mistakes.

Taking everything into account, I think compensation of £200 is a fairer and more reasonable reflection of the distress and inconvenience Mrs P has been caused. Therefore, Santander should pay Mrs P a further £125 in addition to the £75 it has already offered.

my final decision

For the reasons set out above, I uphold this complaint. Santander UK Plc should pay Mrs and Mr P a further £125 in addition to the £75 it has already offered Mrs P.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P and Mr P to accept or reject my decision before 19 July 2019.

Ailsa Wiltshire
ombudsman