

The complaint

Miss B complains Yorkshire Building Society (YBS) put her personal data at risk and failed to take her concerns seriously.

What happened

In summary, Miss B got a letter in the post from YBS after applying for a savings account with it. This said she needed to verify her identity and address. The letter set out a list of possible documents she could provide and enclosed a blank self-addressed envelope.

Miss B noted that the cover letter had a return address, which had changed some time ago and was no longer in use. Concerned that this could put her data (and other customers) at risk, she contacted YBS to raise a complaint. She told it that on a previous occasion she'd sent information to the address, which was never located. So, this situation was alarming.

YBS issued a response. It incorrectly referred to the concerns being about a wrong address on the self-addressed envelope. It couldn't identify which area of its business had sent the information but to say sorry, it offered £75 for any distress and inconvenience caused.

Miss B went back, as the response hadn't properly reflected her complaint. She didn't feel YBS had taken her concerns seriously or properly escalated these. She thought £75 was woefully low for the risk this had posed. However, YBS considered it had already addressed the matter and referred her back to its final response letter.

Miss B contacted us for our view on the matter – she felt YBS hadn't handled the situation appropriately. She wanted to understand how many other customers had been affected by the issue and what steps it had taken to find the root cause of the problem.

One of our investigators took a look into what had happened and reviewed YBS's response to us. In it, it offered Miss B a further £225 to resolve the complaint, recognising it had missed opportunities to discuss and understand her complaint. It said it had now taken steps to deal with the source of the problem. Our investigator put this to Miss B concluding this was fair. But she disagreed and asked that her complaint be passed to an ombudsman.

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.

It's clear Miss B feels strongly about what happened. She's made a number of detailed points in support of her complaint, which I have read and considered. I hope the fact that I do not respond in a similar manner will not be taken as a discourtesy; as an informal dispute resolution service, we are tasked with reaching a fair and reasonable conclusion with the minimum of formality. In doing so, it is not necessary for me to respond to every point made, but to concentrate on the crux of the issue.

I can understand why Miss B was extremely alarmed to get a letter with an incorrect address

on it, particularly given her past experience. Fortunately, she alerted YBS immediately. It's disappointing YBS then didn't get to grips with the matter and missed opportunities that led to the misrepresentation of the complaint. Thus, exacerbating the situation and causing additional trouble and upset.

However, moving forwards I need to consider whether what the building society has done to try and resolve the complaint is fair. I'm satisfied that it now has. I say this because, it's explained what should have happened with the address but didn't. It raised a data breach report and requested the address be amended on its systems. This is what I'd expect and it's a shame this couldn't have been identified and acted on sooner.

I now turn to the impact this had. In addition to the £75 previously offered, YBS has proposed to pay an additional £225 for the additional trouble and upset that resulted in its handling of the matter – it's accepted there were shortcomings. I think this response is fair in the circumstances. When weighing this up, I've thought about Miss B's time, the calls she made and how this left her feeling, as well as the other steps YBS has notified us that it has taken, which I hope gives some reassurance. I've noted Miss B's concerns about the potential for information to get into the wrong hands, however, I can only assess what actually happened and not what might, and I haven't seen evidence of financial loss that changes my view.

Finally, in terms of raising the complaint, where we have the power to make awards, we don't usually do so for referring a complaint to our service, as it's expected there will be a degree of communication involved in dealing with the matter. I appreciate Miss B would like an apology from the head of the data team and information on how many customers have been affected by this issue but I'm not going to require that as I think YBS's resolution is fair. This brings to an end our consideration of this complaint.

My final decision

My final decision is that Yorkshire Building Society should pay Miss B £300 (less any sums already been paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 1 August 2024.

Sarita Taylor
Ombudsman