

The complaint

Mrs S complains about poor customer service from Santander UK Plc when she tried to make a large payment from her account in January 2024. Specifically, she is unhappy that she was told to use voice security when previously told this would not be required.

What happened

Mrs S uses telephone banking for her account with Santander and said it told her she had to use voice security. Mrs S challenged this, and Santander said she could continue to use the security codes for telephone banking. When Mrs S wanted to make a large payment, which needed to be completed the same day, she said Santander refused to process the payment without her using voice security which wasn't set up. Mrs S complained to Santander.

In its response Santander said its agent told Mrs S she needed to have voice security set up. And Mrs S had said that she was put on hold for 30 minutes and wasn't given the correct information. Santander apologised to Mrs S for the inconvenience caused by its poor customer service. However, it hadn't identified any calls and said she could use the security codes for telephone banking to make payments, as before. Santander accepted Mrs S had been made to wait too long on the phone and paid her £50 by way of an apology.

Mrs S wasn't satisfied with this and referred her complaint to our service. She said the ideal resolution would be more financial settlement than what's been offered by Santander. Our investigator said Santander should have completed security at first point of contact with Mrs S and made the transfer. She said it is Santander's policy that telephone banking security codes are still a valid way for customers to complete security and Santander's staff should be aware of this and the service Mrs S received was not up to standard.

The investigator said Mrs S was distressed during and after the calls as the conflicting incorrect information from several members of Santander's staff was extremely confusing. She said that Santander should pay Mrs S further compensation of £70 for her distress and inconvenience. And should ensure the staff members involved are provided with feedback about the correct security processes to prevent this issue from reoccurring.

Santander disagreed, saying Mrs S's payment was initially held for a security check which wasn't to do with how it was requested - there was no voice security requirement. Santander said the payment went through the same day. Mrs S called again three days later to make a payment and was advised that Santander didn't hold automatic security ('as is usual when a customer uses their telephone banking details to verify') as her details had been revoked on 9 February 2024. It said this is why the verification was not automatically completed before the agent spoke to Mrs S and not because she wasn't registered for voice security.

Santander said Mrs S confirmed she is using her mobile phone when she has telephone credentials for her landline, and the payment was carried out the next day via telephone banking. Santander said that Mrs S has been able to carry out transactions since this incident, with no requirement to register for voice security. Santander said it had not made an error in its dealings with Mrs S and requested an ombudsman review the complaint.

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 was sorry to learn that what should have been a straightforward payment transfer has turned into a confused and distressing experience for Mrs S. Part of my role is to determine whether what took place was reasonable and whether Santander followed the process correctly.

Santander confirmed that it is not mandatory for a customer to have voice security to be able to transact on their account, but if they do wish to request a payment over the phone, they must have valid telephone banking credentials. This was the issue that Mrs S faced when she called Santander to make a large payment in January 2024.

Santander has said that the transaction was held up for security checks rather than for lack of voice security set up on the account. This is confirmed by the call recording in which Mrs S is referred to Santander's security team and I've heard the conversation between Santander's members of staff in verifying the transfer.

I take Santander's point that the security checks were nothing to do with the lack of voice security on the account and that the latter was not required of customers. Mrs S's payment was very large and it's a requirement of banks to check for potential fraud and by doing so it may prevent loss to the customer or the bank. I'm pleased to see the payment was released and completed the same day.

I can see why Santander's agents would routinely tell customers using their telephone banking details to verify their identity, that they don't have voice security set up. I think this may have been put in such a way that Mrs S took this to be a new requirement rather than advisory.

When Mrs S called Santander again in February 2024 to make another payment, she was told that her telephone banking credentials had been revoked earlier that month. This may have been due to the credentials having been entered incorrectly and Mrs S said she was happy to re-try the transaction using her normal landline. I can see that Santander's agent this is why she hadn't been automatically verified before they spoke and explained there was not an issue with Mrs S not being registered for voice security.

I can see from Santander's records that Mrs S has made many subsequent payments via her telephone banking credentials without the need for voice security. So I think the problems she faced in January and February 2024 were isolated and I hope her use of the account remains problem free. I can see Santander's point that voice security is a safe and efficient way of transacting on the account. But Mrs S doesn't want to do this and so it may not be necessary for its agents to make this point on each separate call she makes.

Although I can accept that Santander was following its security procedures with Mrs S I think its explanation over the phone could have been much clearer. Mrs S spoke with several members of Santander's staff in attempts to make her transfer. And she was left on hold for thirty minutes without the member of staff returning to refresh or update her. I can understand how frustrating this was for Mrs S.

Putting things right

All-in-all I think that Santander was correct to apologise to Mrs S for the inconvenience caused by its poor customer service. And I think that it follows that the additional compensation of £70 recommended by the investigator is about right for Mrs S's upset and wasted time.

My final decision

For the reasons I have given it is my final decision that the complaint is upheld. I require Santander UK Plc to pay Mrs S further compensation of £70 for the inconvenience she was put to on her prolonged calls with Santander.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 3 October 2024.

Andrew Fraser
Ombudsman