



<u>Decision Ref:</u>	2022-0061
<u>Sector:</u>	Banking
<u>Product / Service:</u>	Banking Online Facility
<u>Conduct(s) complained of:</u>	Failure to provide adequate security measures Delayed or inadequate communication Complaint handling (Consumer Protection Code) Dissatisfaction with customer service
<u>Outcome:</u>	Rejected

LEGALLY BINDING DECISION OF THE FINANCIAL SERVICES AND PENSIONS OMBUDSMAN

The Complainant has submitted this complaint arising from online payment transaction difficulties and suggested poor customer service by the Provider which arose as a result of an online transaction the Complainant attempted to make on **21 January 2020**.

The Complainant's Case

On **21 January 2020** the Complainant wished to complete an online banking transaction but had mislaid the authorisation code needed to complete the transaction. The Complainant states that her attempts at following the Provider's instructions to generate a new code were unsuccessful. The Complainant states that she contacted the Provider for assistance.

The Complainant says that she was advised to use another device to generate the code. She states that during that call with the Provider's Agent, she was told of attempts to access her account a few days previously. As she had not made these attempts, the Provider's Agent disabled her online PIN. After the PIN was disabled, it transpired that these attempts to log in dated back to **December 2019** when the Complainant had in fact made those attempts. Regardless, the Complainant's PIN had to be reset, as it had been disabled.

The Complainant states that this error caused her distress as she was worried someone had made fraudulent attempts to access her account. She says that she used another device to generate a code to be posted again but that was not successful, so she contacted the Provider again.

The Provider's Agent with whom the Complainant spoke was not able to generate a pin and the Complainant submits that the Agent "*offered no assistance*" other than advising that he would contact the IT department and would call back in a day or two. The Complainant states that she did not receive a call back and so she called the Provider again. She was at this point told to go to the Branch.

The Complainant states that she advised the Provider that due to an ankle injury she could not call in to her Branch. She was then told that the "*first agent*" was not in and would call her the next day. The Complainant says that she requested to speak to a team leader and was left on hold for a long time. She says that her call was then picked up by the "*first agent*" despite having been told that he was on leave that day. The Complainant states that the "*first agent*" apologised but could not offer any assistance in relation to the issue of generating a PIN.

The Complainant says that she requested that a complaint be logged "*to ensure the IT issue was investigated and responded to*" and she asserts that she was advised that "*she would only get a response based on the severity of the complaint*". The Complainant states that she requested that her call be escalated, yet despite this she states that she was left on hold again and the agent reverted telling her that the "*lead*" would not speak to her, but that they could register her mobile on the call, and she would then no longer need the code.

The Complainant submits that she received a telephone call from a Complaint Handler who went through her complaint, but she was left "*disappointed to see that both serious service failures and the IT issue were not addressed at all*".

The Complainant sets out that she would like: "*to know why [she] was unable to generate a code online yet [the Provider] seem[ed] so unconcerned about their system failure.*" Furthermore, the Complainant submits that in her view "*customers need to be treated so much better than this...*" and she indicated concern in relation to other customers, (who may not be aware of their rights to submit a complaint to this Office) being treated in a similar way by the Provider.

The Complainant says that due to poor customer service she was unable to complete an online transaction, she was given incorrect information and she was not called back in relation to her query. The Complainant wants the Provider to:

1. Improve the training of its agents and team leaders;
2. Explain why the Complainant was unable to generate an authorisation code for her transaction;
3. Explain why the Complainant's complaint was not, initially, accepted and investigated.

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The Provider's Case

The Provider submits that the Complainant's complaint relates to difficulties that arose as a result of the Complainant registering her mobile number for the *One Time Activation Code* ("OTAC") which is required when setting up a beneficiary on the Provider's online banking profile, for the purpose of effecting a transfer online. The Provider states that the Complainant initially registered for online banking on **30 March 2017** but that the mobile number was not activated following the registration.

The Provider submits that on **19 December 2019**, the Complainant requested an OTAC via online banking profile and this was issued to the Complainant's home address. The Provider asserts that it understands that the Complainant mislaid this letter with the OTAC and thereafter she attempted to generate a new code. The Provider states that to regenerate a new code, the procedure is that the Complainant would need to insert an incorrect pin 3 times and the Provider's system should have automatically generated and posted a new pin to the Complainant. The Provider states that it understands that the code did not generate, although the Complainant had attempted to access her online banking profile on several devices and she used different browsers as instructed.

The Provider submits that it raised the technical issues with its Technical Team and queried the reason why the OTAC was not being generated as usual. The Provider states that it could not be established why its system for code issuance failed on these occasions. The Provider submitted in its Final Response Letter that it "*sincerely apologise[s] for the frustration and annoyance this matter caused to [the Complainant]*".

The Provider states that it reviewed the calls made by the Complainant on the **21 January 2020** and **27 January 2020**. The Provider submits its apology for the fact that the Complainant had no call back, despite being told that a call back would be forthcoming. Furthermore, the Provider stated that it would take on the comments made by the Complainant and address the matter internally with management, and with the individuals involved. In relation to the call of the **27 January 2020**, once the Complainant asked to speak to a Team Leader or Manager, the Provider accepts that the Complainant was not transferred to a Team Leader or Manager but it submits that, despite this, the staff member dealt with the Complainant "*entirely correctly and appropriately*".

The Provider submits that for security reasons the mobile phone registration can only be requested via its online platform or in branch. The Provider asserts that as the Complainant had difficulties in having her mobile number activated, it was ultimately decided to register the Complainant over the phone following additional security questions.

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The Provider states that this procedure is carried out in exceptional circumstances to facilitate customers who (as a result of injury/ disability) are not able to come into the Provider's branch. The Provider asserts that it only became informed of the Complainant's injury on the **27 January 2020** and as a result of this, the Provider had no reason to adopt this procedure on the **21 January 2020** when the issue first arose.

The Provider submits that the Complainant's issues were resolved on the **27 January 2020** when her mobile phone was registered over the phone. The Provider on the same day registered the Complainant's complaint and by letter dated **31 January 2020** the Provider acknowledged the complaint.

The Provider issued its Final Response Letter on the **14 February 2020** and in its conclusion of this letter sets out that:

"in recognition of the lapse of service [the Complainant] experienced [the Provider's representative] would like to offer €150 in full and final settlement of your complaint".

The Provider states that it is:

"happy to confirm [it] is upholding [the Complainant's] Complaint with regard to the service she received"

Furthermore, in its response to questions to this Office dated **26 March 2021**, the Provider accepts that the Provider's agent incorrectly advised the Complainant on the phone on the **27 January 2020**, that the complaint she had submitted may not be investigated as this is dependant on the *"scale of the complaint"*.

The Provider accepts that this information was incorrectly provided but submits that despite this misinformation, the complaint was dealt with as required by the Consumer Protection Code 2012.

The Complaint for Adjudication

The complaint is that the Provider failed to correctly advise the Complainant on how to use its online banking system, it failed to provide appropriate customer service in dealing with the Complainant's issue in respect of the one-time activation code and mishandled the Complainant's complaint.

Decision

During the investigation of this complaint by this Office, the Provider was requested to supply its written response to the complaint and to supply all relevant documents and information. The Provider responded in writing to the complaint and supplied a number of items in evidence. The Complainant was given the opportunity to see the Provider's response and the evidence supplied by the Provider. A full exchange of documentation and evidence took place between the parties.

In arriving at my Legally Binding Decision, I have carefully considered the evidence and submissions put forward by the parties to the complaint. Having reviewed and considered the submissions made by the parties to this complaint, I am satisfied that the submissions and evidence furnished did not disclose a conflict of fact such as would require the holding of an Oral Hearing to resolve any such conflict. I am also satisfied that the submissions and evidence furnished were sufficient to enable a Legally Binding Decision to be made in this complaint without the necessity for holding an Oral Hearing.

A Preliminary Decision was issued to the parties on **4 January 2022**, outlining the preliminary determination of this office in relation to the complaint. The parties were advised on that date, that certain limited submissions could then be made within a period of 15 working days, and in the absence of such submissions from either or both of the parties, within that period, a Legally Binding Decision would be issued to the parties, on the same terms as the Preliminary Decision, in order to conclude the matter. Following the consideration of additional submissions from the parties, the final determination of this office is set out below.

I note that the Complainant has been a customer with the Provider since **January 2000** and she submitted this complaint in relation to online payment transaction difficulties and regarding what she maintains was poor customer service by the Provider, which arose as a result of an online transaction she attempted to make on the **21 January 2020**. The Complainant contacted the Provider as she had mislaid her online banking authorisation code. The Complainant was advised by the Provider to use another device to generate the pin online, by inputting an incorrect pin, which would in turn automatically result in a new pin being posted to the Complainant.

The Provider mistakenly told the Complainant that there had been attempts to access the Complainant's account a few days previously. The Complainant had not made these attempts, but she had made similar attempts in **December 2019**. As a result of the mistake by the Provider, the Complainant says that she was distressed, as she was worried that someone was trying to access her account. The Provider in response, has stated that this error was immediately rectified, and the Provider's Agent apologised for the confusion created. The Provider states that the PIN, which had been temporarily blocked, due to the confusion about external attempts to access the account, was immediately reset successfully.

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The Complainant further submitted that she followed the instructions to set her access code by using a different device, but she had no success and she contacted the Provider again. The Provider stated that a call back would be made to the Complainant as soon as the IT team reverted. I note that the Provider's agent asked if the Complainant needed something done urgently and the Complainant responded saying "*no, just trying to get a transaction but just to get set up on phone*". The Provider's Agent stated, in response to a query in relation to how to make transactions in the interim, advised that she could make transactions on the website or call into her Branch, to register the mobile phone.

During the second call of **27 January 2020** the Complainant stated that she had still not received a pin and referred to her calls made on the **21 January 2020** and the fact that she had received no call, despite being told that there would be a follow up. The Complainant asserts that the Provider's agent offered her no assistance and stated that he would contact the previous Agent and revert to the Complainant.

During this call, the Provider advised the Complainant to call into the branch, to speak to an Agent there, in relation to generating a new pin. The Complainant stated that due to an ankle injury she wouldn't be able to call into the branch. The Complainant appears to have been informed that the Provider's agent with whom she had first spoken, was not in, but that he would call the next day. However, after the Complainant asked to speak to a team leader, the Complainant was put through to the agent she had first spoken with. The Complainant states that she had to wait a considerable time for the agent to answer, and when he did, he apologised but could offer no assistance.

The Complainant requested her complaint to be logged to ensure any IT difficulties were resolved. The Provider informed the Complainant that "*she would only get a response based on the severity of the complaint*". I note that the Complainant asked to speak to a manager/supervisor. She was left on hold and when the Agent reverted back, the Complainant was informed that the team leader would not speak to her, but that they could proceed to register her mobile over the phone, so that she wouldn't need the code initially sought, to be able to access online banking.

I am satisfied that the evidence before me shows that the Provider failed to expeditiously deal with the Complainant's concerns about technical failures, on the **21 January 2020** and that it failed to contact the Complainant, even though it had indicated to her that it would. The Provider in its answers to this Office, submitted that its "*Agent clearly stated that he would give a call back to the Complainant when he had an update from the IT department*" and that this process could take a "*few extra days*".

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In my view, if an IT problem was apparent, there should have been more priority given to the Complainant's situation, as she was unable to make online transactions, though I note that this issue had been caused by the Complainant herself, losing the online banking authorisation code which had been issued to her by the Provider.

The Provider's Agents seem to have misinformed the Complainant in relation to her complaint indicating that the Complainant would "*only get a response based on the severity of the complaint*". I note that the Provider has accepted this advice to have been incorrect and has apologised for this error and notes that the complaint was indeed logged on **27 January 2020**, the same day on which the request to file the complaint had been made.

The Complainant's online banking was activated over the phone on the **27 January 2020**. The Provider submits that this was done as a result of the difficulties the Complainant encountered and was an exceptional measure taken to assist the Complainant. I note the Provider states that this procedure is available for customers who may have an injury or disability and that, on being notified of the Complainant's ankle injury, it was able to process the Complainant under the exception process and upon being informed of the urgency of the transaction. However, I note from the audio evidence provided that the Provider did not implement this procedure upon being notified that the Complainant had an ankle injury and could not go into her branch. Rather this procedure was offered to her, only after the Complainant asked to speak to the manager/ supervisor.

The Provider in its Final Response Letter dated **14 February 2020** recognised that the service provided to the Complainant was below the standard the Complainant was entitled to expect. The Provider stated that it was upholding the Complainant's complaint and wished to compensate the Complainant with an offer of **€ 150.00** in full and final settlement of the complaint. This offer was subsequently increased to **€ 250.00** on **7 October 2020**.

I note the errors by the Provider in its services to the Complainant and the manner in which it failed to comply with the General Principle of the **Consumer Protection Code at Provision 2.2**, to act with due skill, care and diligence, in the best interests of its customer. Although the Provider acknowledged its shortcomings in October 2020, the compensatory measure of €250 which the Provider offered to the Complainant at that time, was insufficient in my opinion. I note however that in responding formally to this complaint, in March 2021, the Provider increased that offer to a figure of €500, which I am satisfied represents a more appropriate compensatory measure. Accordingly, on the basis that this offer remains open to the Complainant for acceptance, I do not believe that it is necessary to uphold this complaint, or to make any further direction. Instead, it will be a matter for the Complainant to now communicate directly with the Provider, if she wishes to accept that compensatory payment of €500, which I am satisfied is reasonable in all of the circumstances outlined.

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Conclusion

My Decision, pursuant to **Section 60(1)** of the **Financial Services and Pensions Ombudsman Act 2017**, is that this complaint is rejected.

The above Decision is legally binding on the parties, subject only to an appeal to the High Court not later than 35 days after the date of notification of this Decision.



MARYROSE MCGOVERN
Financial Services and Pensions Ombudsman (Acting)

15 February 2022

Pursuant to **Section 62** of the **Financial Services and Pensions Ombudsman Act 2017**, the Financial Services and Pensions Ombudsman will publish legally binding decisions in relation to complaints concerning financial service providers in such a manner that—

(a) ensures that—

- (i) a complainant shall not be identified by name, address or otherwise,
 - (ii) a provider shall not be identified by name or address,
- and

(b) ensures compliance with the Data Protection Regulation and the Data Protection Act 2018.