

The complaint

Mr H complained that Schroder Unit Trusts Limited (“Schroder”) failed to deal correctly with his Data Subject Access Request (DSAR).

What happened

Mr H had an Individual Savings Account (ISA) with Schroder. In February 2023 he wrote to Schroder and provided it with his new address. Schroder then wrote to Mr H at both his old and his new address to let him know that proof of the new address was needed before it could process the address change. The letter sent to Mr H’s new address included a change of address form and a list of acceptable documents to evidence the change.

Mr H complained to Schroder on 20 February 2023 and said its request for further documentation had no legal or regulatory justification. Mr H submitted a DSAR.

Schroder wrote to Mr H at his new address on 1 March 2023 with a response to his complaint. Schroder said it had processes in place to safeguard investors’ accounts against potential fraudulent activity and so it required evidence of new addresses, as and when address change requests were received. It said as an additional security measure, it wrote to Mr H at both his old and new address. Schroder told Mr H he could phone it to update his address, subject to passing telephone security checks. It also confirmed Mr H’s DSAR had been passed to its General Data Protection Office.

Schroder wrote to Mr H at his old address on 23 March 2023 regarding his DSAR. It said it provided him with information he hadn’t already received in response to earlier DSARs. Schroder reiterated that it couldn’t process Mr H’s request to update his postal address as he hadn’t yet provided the required pieces of evidence.

Mr H contacted Schroder in late March 2023 to let it know he hadn’t received the DSAR information and that he was unhappy with the response to his complaint.

Schroder wrote to Mr H, at his new address, on 17 April 2023. It said it was unable to issue any personal or account specific information, including DSAR information, to his new address until Mr H provided the relevant proof of address. Schroder told Mr H that the DSAR information sent to his old address in March 2023 was not signed for and so not delivered.

Mr H remained unhappy and so referred his complaint to this Service. He said none of the DSAR information, that Schroder said it would deal with in its complaint response, had been received. He asked for all aspects of his complaint, including the DSAR, to be resolved. He also asked for fair and reasonable monetary compensation to be awarded.

Our Investigator didn’t uphold Mr H’s complaint. Mr H didn’t agree with the outcome and so this came to me for a decision.

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've looked at whether Schroder acted reasonably when it told Mr H it wouldn't process his request to change his address unless he provided the evidence it requested.

Schroder responded to Mr H's initial request to change his address by writing to him at both his old and new addresses and letting him know exactly what steps he needs to take before Schroder can add his new address to its system. I can see that Schroder also let Mr H know there was an alternative way that he could update his address by telephone.

This is what I would expect a business to do if a consumer had, most likely unwittingly, not provided everything needed in order for the change to be made. I can also see that both letters were sent very soon after Schroder received Mr H's letter.

Schroder told Mr H that evidence of his new address is needed for security purposes. I know Mr H said that he can't see what legal or regulatory requirement Schroder are fulfilling by asking for proof of the address change. But the approach this Service takes is that it will rarely interfere with reasonable security measures taken by businesses. Schroder has an obligation to ensure it safeguards its consumers', and indeed its own, interests. So I am not going to interfere with what I think is a reasonable request made by Schroder for evidence of Mr H's change of address.

Schroder sent some letters to Mr H at his old address, and some to his new. I can see that the DSAR information was sent to Mr H's old address, along with an explanation of why it couldn't be sent to the new – Schroder didn't want to send personal or account specific information until Mr H had provided evidence of his change of address. The position Schroder is in here is that it can't update Mr H's address until he provides the proof of address it requires, and it also can't ignore his DSAR. So the step it's decided to take in this situation is send the DSAR information to the address it has on its system for Mr H.

I've already said I am not going to interfere with reasonable security measures put in place by Schroder in relation to how it updates consumers' addresses on its system. Given that, I think it was reasonable for Schroder not to send the type of sensitive information that's likely to be sent as part of a DSAR request to an address that hasn't yet been evidenced as Mr H's new address.

I know my decision will disappoint Mr H, but I am not asking Schroder to take any further action here.

My final decision

I am not asking Schroder Unit Trusts Limited to take any further action.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 19 January 2024.

Martina Ryan
Ombudsman