

The complaint

Mr H complains that Clear Score Technology Limited will not onboard his bank meaning he is unable to use Clear Score's account information services in respect of his bank account.

What happened

Background

Clear Score is a financial technology business. One of the financial services Clear Score is authorised to provide is account information services. An account information service is an online service which provides consolidated information on one or more payment accounts held by a payment service user with another payment service provider.

Mr H wanted to link his bank accounts to Clear Score's app. Clear Score would then be able to use the information from Mr H's bank accounts to give personalised insights and offers when providing his credit score, reports and spending analysis.

At the time of the events complained about, Mr H's payment accounts were not provided by one of the nine largest banks in the UK. His bank had made an Open Banking API (application programming interface) available for integration, but it wasn't shown in the Clear Score app because Clear Score had not integrated. As a result, Mr H could not use Clear Score's account information services in respect of his bank account.

Mr H's complaint

Mr H explains that he contacted Clear Score about the possibility of connecting with his bank three times, but did not receive any acknowledgment or reply so had no option but to raise a complaint. He's provided copies of the emails that he sent to Clear Score in February and March 2022 that went unanswered.

When Mr H didn't receive a final response from Clear Score, he referred the matter to this service. He wanted us to direct Clear Score to integrate with his bank. He also made a complaint about the bank, which is being considered separately. He said the Financial Ombudsman Service is uniquely placed to request the bank and Clear Score to work together.

Clear Score responded to us. It explained that initially it was not in collaboration with Mr H's bank, but it had passed the request to integrate on to the relevant team. Clear Score says that it did then try to onboard Mr H's bank, but was unable to provide him with business confidential information about the onboarding process. Clear Score indicated to us that it thought the link was operational, and then that it would be operational in late Summer 2022. It said it should have handled Mr H's correspondence better than it did and explained it had provided feedback to its staff.

When Mr H's complaint was allocated to our Investigator, he explained that the app still wasn't linked to his bank and provided screenshots to show it was not supported. Around the same time, Mr H contacted Clear Score again. It told him it had made a mistake

when it had said his bank was available to link with. It apologised for the disappointment of it not being available yet but said the delay was at the bank's end, so was out of Clear Score's control.

Our Investigator considered the matter but did not recommend it should be upheld. He said Clear Score aren't required to link with Mr H's bank. His investigation concluded that the problem preventing the integration from being successful had been at the bank's end.

Mr H didn't accept the Investigator's view. In summary, he said some compensation ought to be considered on account of the misinformation provided by Clear Score and the length of time taken to get traction on the issue. He felt not upholding the complaint suggested Clear Score had done nothing wrong and that the complaint was without merit, which is not the case. Mr H wanted to know when onboarding would become an option and requested a clearer explanation as to how it was being taken forwards. He explained he'd had a poor experience, having got his hopes up only for them to be dashed again.

As no agreement could be reached, the complaint was referred to me.

My further investigation

When the complaint was referred to me, I contacted Mr H's bank to find out why the attempt to onboard had failed and whether the issue had since been rectified. The bank responded to say there were no barriers to onboarding currently and the previous issues had been resolved.

I asked Clear Score whether it would consider attempting to integrate with the bank again now the problem appears to have been rectified. Clear Score responded to say that there were no current plans to onboard with this particular bank as there is not sufficient demand for it. Clear Score explained that connections with other financial institutions are taking priority.

Mr H was disappointed. He said that as a customer of a smaller bank he is disadvantaged and facing an invisible block to Open Banking services, now not because of technology but down to commercial feasibility. He suggested there was a competition issue if customers must move to a larger bank to be able to access the full range of Open Banking services, creating a situation that is not financially inclusive.

Mr H explained that his affordability score in Clear Score's app was low because it is unable to link to his bank accounts.

Whilst the complaint has been with me, Mr H's bank decided to move away from the retail banking market and gave Mr H notice of its intention to close his accounts. Clear Score provided me with a list of the organisations that have successfully onboarded with its services, which I shared with Mr H to assist him.

My provisional decision

After considering everything that both sides had said and provided, I was minded to reach a different outcome to our Investigator. I issued a provisional decision which forms part of this final decision on 24 November 2023. My findings are included below:

Onboarding Mr H's bank

I understand Mr H wants to fully utilise the benefits and opportunities that Open Banking presents. But I have to decide whether Clear Score is required to onboard Mr H's bank and

whether it has acted unfairly or unreasonably by ultimately not doing so.

I have looked at Clear Score's terms and conditions. They set out what Mr H can expect from them, and they govern how the relationship between them will work. The terms say that Clear Score may change the content or functionality of its apps, website or any other method which allows access to its services at any time. They also say that Clear Score cannot guarantee that its website or apps or any content on them or provided as part of its services will always be available, uninterrupted or error free. Clear Score has not made any commitment that its product will always be fully compatible with every financial institution.

Clear Score has explained that this particular bank was not a priority for it to integrate with and so has made a commercial decision not to pursue integration at this time. It has explained there was not sufficient demand for it. It is for Clear Score to decide the circumstances in which it will connect to account servicing payment service providers. The bank Mr H was with has a smaller customer base and, as such, a limited scope. Clear Score is entitled to make this commercial decision.

Clear Score's operational priorities have changed. I accept it is disappointing for Mr H that Clear Score decided against integration, but I am not a regulator and I do not have the power to change the wider Open Banking ecosystem to facilitate increased participation for groups of end users that hold payment accounts with smaller firms.

In my view, Clear Score has not acted unfairly or unreasonably towards Mr H by deciding not to pursue a connection to the bank at this time and I cannot compel it to when it is not obligated by law or regulation to do so.

The service provided to Mr H

Clear Score has already acknowledged that Mr H's experience has not been smooth, so it should come as no surprise that Mr H has found this matter to be frustrating. It repeatedly didn't answer his correspondence when he initially asked about integration, ultimately resulting in him making a complaint. He's gone to the trouble to raise this issue and he's spent further time contacting Clear Score to follow it up after being mistakenly told that the integration was in place.

Whilst Clear Score did initially try to pursue integration with Mr H's bank, and I do appreciate that the information Clear Score shared with Mr H about that progress was given in good faith, I'm also mindful that Mr H has had to do much of the running here and there were periods of time where he was in the dark about what was happening. Although I accept Clear Score couldn't share commercially sensitive information about the processes and procedures that were happening in the background, it could have still explained to Mr H in general terms what was happening. It's clear that Clear Score took longer than Mr H was entitled to expect to respond to his queries and concerns.

All of these matters have had an impact on Mr H. I don't think Clear Score's apology goes far enough given that both parties broadly agree that Clear Score did not provide the level of customer service that it ought to have done on more than one occasion. I think Clear Score has caused Mr H unnecessary distress and inconvenience, for which I consider £250 would be an appropriate award.

Responses to my provisional decision

Mr H responded to say he would be happy to agree to my provisional decision.

Clear Score didn't agree with everything that I'd said. It acknowledged that Mr H's experience had not been smooth, and it agreed that there had been mistakes, but it also considered there had been mitigating circumstances and factors outside of its control that should be taken into consideration.

Clear Score pointed out that the provisional decision was the first time it had been raised that Mr H had tried to get in contact in February/March 2022. Clear Score said it had no record of ever receiving those emails and asked me to provide copies so it could look into what may have happened. It didn't feel it was fair to say these emails represented Clear Score's customer service standards as it had no knowledge of them until now. It pointed out that Mr H's emails between 11 April and 2 May 2022 were answered within approximately two days.

Clear Score said that it had told Mr H on several occasions that it didn't have answers regarding potentially onboarding his bank and against that backdrop it was Mr H's choice to continue to engage on the matter. It disagreed that Mr H had been specifically inconvenienced in a way that Clear Score could or should have mitigated. It highlighted that Mr H's credit score had been perfect during the life of this case, putting him in the best possible position to access credit through Clear Score if he had wished to do so. It said there was no reason to believe that Mr H would have been in a better position to access credit or benefit from Clear Score's services had any of this turned out differently.

Clear Score said it regretted that it had told Mr H that his bank had been onboarded in error and recognised the experience would have been frustrating, but it felt an award of £250 was steep and implies a more significant degree of inconvenience and harm than what was caused. It suggested £100 would be more appropriate.

I contacted Mr H to let him know what Clear Score had said. He felt £250 was reasonable in the circumstances. He was surprised that Clear Score didn't have any record of his earlier emails and felt that it was trying to reduce the seriousness of the failings.

Clear Score followed up to say it had searched but had no record of the emails in its systems. It speculated that the emails had never arrived because they didn't have any reference number or input from its auto responder in the thread at any point. It couldn't explain exactly why this happened as it no longer had relevant records from Spring 2022. It speculated the messages could have been caught in a spam filter but acknowledged that it had previously corresponded with Mr H using the same email address with no issues.

Clear Score acknowledged that Mr H wouldn't have known to expect an auto response or a reference number and accepted it would have looked poor on his end, but said it was surprised that Mr H didn't reference the lack of response when he contacted Clear Score successfully at a later date.

As both parties have now had the opportunity to consider and respond to my provisional decision and no agreement has been reached, I shall now consider the matter afresh.

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.

Following my provisional decision, both sides broadly agree that Mr H has encountered difficulties and that his time was wasted when he was erroneously told a successful integration with his bank was in place.

As such, the only matter that remains outstanding is that of fair compensation. Mr H agrees £250 is appropriate to recognise the impact Clear Score's handling of this matter has had on him, Clear Score considers there are mitigating factors to consider. It feels the award is on the high side. It has pointed out that Mr H decided for himself to continue to follow up on the integration despite being told there was no time frame for when his bank might be added.

It is not the role of this service to penalise Clear Score, only to ensure that a consumer is compensated fairly. The aim of a distress and inconvenience award is to recognise the emotional or practical impacts of a mistake.

I appreciate Clear Score's point that it wasn't able to respond to emails that it didn't receive. But Clear Score has also acknowledged that from Mr H's perspective, there was no way for him to know that those messages had not arrived, especially as he was contacting Clear Score from an email address that he'd used previously without any issues. There is no dispute that Mr H was contacting Clear Score using the correct contact details. As such, I don't think it was unreasonable for Mr H to assume his messages had been safely received and I agree with him that it would have been annoying to not receive any reply. I don't think the fact that Mr H didn't explicitly raise his annoyance in his future contact with Clear Score means that he did not experience any frustration at all. I still consider that he would have experienced some annoyance for which a modest compensation payment would be appropriate.

Clear Score also acknowledges that Mr H experienced a loss of expectation when he was told that there was a successful integration with his bank. After being told this, he took the time to try and integrate his bank and was put to the effort and inconvenience of having to follow the matter up to find out what was happening when it wasn't possible to connect. I've thought carefully about everything Clear Score has said and provided in response to my provisional decision, but I still consider that the culmination of several errors have required some reasonable efforts on Mr H's part to follow up. In all the circumstances here, I still think Mr H suffered some trouble and I don't think my proposed award overstated the impact of it on him.

Putting things right

I still believe it's fair and reasonable that Clear Score pay Mr H £250 compensation for the distress and inconvenience caused to him.

My final decision

For the reasons given above, my final decision is that Clear Score Technology Limited should pay £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 15 January 2024.

Claire Marsh
Ombudsman