

The complaint

Mrs O complained because TSB Bank plc refused to refund her for transactions which she said she hadn't authorised.

What happened

On 2 December 2022, Mrs O made a £3 payment from her TSB account to her daughter. On 3 December, there were two payments from Mrs O's account. One was for £4,985 and the second for £4,783. They went to two new recipients.

Mrs O contacted TSB. She said she hadn't authorised the £4,985 and £4,783 payments, so she wanted a refund. She told TSB that she hadn't given anyone her details, or access to her account. She said she hadn't received any suspicious calls, texts or emails.

TSB investigated, but it declined her claim. Mrs O complained. In its final response letter, TSB said that with the information it had, it couldn't see how a fraudster would have been able to access Mrs O's account to make the payments.

Mrs O was still unhappy, so TSB reviewed the decision. It wrote to her on 3 February 2023, and said that the records showed that the disputed transactions had been made using Mrs O's trusted device, which she'd previously used for genuine internet banking log-ins, and genuine transactions. And TSB said that its fraud team had had a detailed conversation with Mrs O, to ensure it had all the information to do a further review. Based on that conversation, it hadn't been able to detect any remote access, or determine any point of compromise for Mrs O's device. So it couldn't see how a fraudster would have access to make the payments from Mrs O's account.

Mrs O wasn't satisfied and contacted this service.

Our investigator didn't uphold Mrs O's complaint. He said that the disputed transactions had been made using the same device as she'd used for undisputed payments. And the method used – using Mrs O's customer memorable information - had been the same as for undisputed payments. The investigator explained that although Mrs O had been concerned that there were several phone numbers on her TSB app, two were duplicates of her genuine number. The third, an incorrect number slightly different, had been added after the disputed transactions.

Mrs O wasn't satisfied, and raised multiple arguments in many emails.

She said that although the app had been working when she sent a payment to her daughter on 2 December, but the next day it hadn't been working, so something had been going on. She said she hadn't received any codes from TSB on her phone.

Mrs O also said that if TSB claimed the transactions had been done using her phone, why didn't the recipients' names and account details appear on her phone. She said she wanted the account details of the "*strange persons*" to whom the money had gone, because she said they weren't on her phone. And she wanted TSB to confirm why her app hadn't worked

on the day of the transactions, because she said she'd uninstalled and reinstalled the app several times on 3 and 4 December.

Our investigator send Mrs O another copy of her bank statement which showed the names of the recipients of the two disputed transactions. But Mrs O replied that she already had the names on her bank statements, but she wanted the recipients' account details. She asked the investigator to ask her network provider whether any information had been deleted. She also asked him to obtain all her text messages, and said the transactions hadn't been made using her phone. Mrs O also said she wanted the pass code sent to her, and the account information for the recipients, and the times of the transactions.

The investigator provided Mrs O with the times of the disputed transactions, but explained that TSB wasn't willing to let her have the other information she'd requested. Mrs O continued to ask for more information, including "*a forensic test*" to show whether or not TSB had altered the spreadsheet with the transaction information. She also again asked the investigator to contact her phone network provider.

Mrs O asked for an ombudsman's 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.

As I've set out above, Mrs O has raised multiple points in her submissions to this service. I've understood all of those and considered all she's said and sent us, but in reaching my decision here I've focused on what I think is vital to my conclusions. I'd also point out that this service is a quick and informal alternative to the legal process in terms of disputes with financial businesses. We can decide what information is enough to carry out an investigation and get to the right answer. So I have not pursued all the matters which Mrs O wanted the investigator to carry out for her – where I don't think that's necessary in order to reach a balanced and impartial decision on the crux of the complaint here.

Regulations

There are regulations which govern disputed transactions. The relevant regulations here are the Payment Services Regulations 2017. In general terms, the bank is liable if the customer didn't authorise the payments, and the customer is liable if they did authorise them. So I've considered who is more likely than not to have authorised the two disputed payments.

Who is most likely to have authorised the two disputed payments?

In order to decide this, I've looked at the impartial computer evidence about the transactions and about Mrs O's TSB account.

I've seen that the disputed payments were authorised using the app on the same device Mrs O had used to make previous undisputed payments. This included the payment to her daughter the day before the disputed payments. Mrs O also used this device for internet banking logins.

In order to set up new payees, customers approve the addition through a one-time passcode (OTP). I recognise that Mrs O said she never received this. But I accept it was sent, and the bank's computer records show that there was only one phone number ever registered to Mrs O's account. So I consider it's likely that Mrs O did receive these, even if she later deleted them.

The computer records also show that the method used to authenticate the payments was that the information was correctly entered from the registered information. Mrs O had previously set up this personal information herself, when she'd applied for internet banking.

Mrs O told TSB that she hadn't given anyone her account or security information; that she hadn't received any suspicious calls, and hadn't responded to any suspicious texts or emails.

So the transactions were carried out using Mrs O's registered device, personal security information which she'd set up herself, and with a OTP sent to her registered phone. The way the payments were made was exactly the same as payments which she didn't dispute. So I can't see how any third party fraudster could have carried out these payments. If Mrs O provided someone else with her phone, and all her account information and security, this would count as Mrs O authorising the payments herself.

So I find that it's more likely than not that Mrs O authorised the payments herself, or that she provided someone else with the phone and information to carry them out. This means that TSB doesn't have to refund her.

Other points raised by Mrs O

I've explained that Mrs O has raised multiple points, but I've focused on what matters in terms of reaching my decision. However, I'll deal with some of her other points here.

Mrs O has asked many times to know the account numbers to which the disputed payments were sent. I don't understand why Mrs O says she wants this, but more importantly it isn't relevant to the outcome here. That's because the outcome hinges on who authorised the payments – not on what account numbers they went to.

Mrs O has also asked the investigator to find out more information – such as contacting her network provider to ask for all her text messages. But I don't consider that's necessary or relevant here. It wouldn't help me to decide whether or not Mrs O was the person who authorised the transactions on her device and using her security information.

Similarly, Mrs O wanted the investigator to obtain what she described as “*a forensic test*” to show whether or not TSB had altered the spreadsheet with the transaction information. She hasn't said exactly what she means by this, but in any case I don't consider it's at all likely that TSB altered the multiple consistent computer records which it sent to us.

So I have not pursued all the matters which Mrs O wanted the investigator to carry out for her, because I have clear and sufficient evidence to reach a balanced and impartial decision on the crux of the complaint here. That decision is that the evidence indicates that it's most likely that Mrs O carried out the disputed payments herself.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 23 October 2023.

Belinda Knight
Ombudsman

