

The complaint

Mr M complains about how TSB Bank plc dealt with a debit card transaction.

What happened

Mr M says he tried to make a payment for just over £36 in March 2023. He says the transaction was blocked and TSB sent him a message to try it again. Mr M says TSB told him it could remove the “pending payment” but the money was still taken a few days later. He says that caused his account to become overdrawn which resulted in him being unable to work for five days. Mr M questions if TSB’s text message was altered and would like compensation for what took place as well as for the loss of employment.

TSB says its security measures blocked the initial payment which was then unblocked. It accepts it didn’t deal with parts of Mr M’s complaint as it should by referring him to various departments and giving incorrect information. TSB has paid £50 compensation but says the payment was credited before being debited and so there was no actual loss to Mr M. It says it also paid a further £40 compensation as Mr M’s account was overdrawn at the time it paid the £50 compensation.

Mr M brought his complaint to us, and our investigator didn’t uphold it. The investigator thought £90 compensation appropriate and that the payment was credited before being debited resulting in no loss to Mr M.

Mr M doesn’t accept that view and says he didn’t receive the £40 compensation. He also says TSB failed to ask him where he wanted the compensation paid.

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.

Having done so I have come to the overall view that TSB has dealt fairly with this complaint by apologising and paying an appropriate compensation amount.

There is no dispute here that TSB didn’t deal with parts of this complaint appropriately by giving Mr M confusing information and by passing him to various departments. I have no doubt Mr M was caused inconvenience and would have spent some time on the telephone to TSB. The important point is that TSB has fairly apologised to Mr M and explained what took place with the transaction.

I’m satisfied Mr M didn’t suffer any financial loss and that the payments in and out of his account, balance each other out. I appreciate the position would not have been clear initially to Mr M but can see that TSB’s final response letter is dated some days after what took place which explains matters.

The key question for me to decide is the compensation amount. I have made clear that Mr M didn’t suffer any direct financial loss caused by the transaction issue and that the problem

was explained to him within some seven days of the initial transaction. So, I have come to the overall view that £90 compensation is fair and reasonable and in line with the type and amount of awards we would make for this type of issue. I appreciate Mr M says he was unable to work for some five days but I have not seen any evidence of that, from for example his employer. And in any event, I don't think it would have been reasonable for TSB to pay any such amount or that what took place justifies it paying for five days lost income.

I appreciate Mr M says the text message may have been altered. I make clear that I have not seen any evidence of that. I also appreciate Mr M says he didn't receive the £40 compensation and TSB didn't ask him where the payment for the £50 should be made.

I have looked carefully at TSB's records and can see that it e-mailed Mr M on 31 March 2023 telling him that it had paid the £40 compensation. And I can see from Mr M's account statement that both the £50 and £40 compensation are credited on that day and the 30 March 2023. I don't think it clear why Mr M says he didn't receive the £40 as he appears to have withdrawn it shortly after it was credited to his account. I accept TSB ought to have checked which account he wanted the compensation paid into but sorted matters out by paying a further £40 compensation which Mr M used and of course had the benefit of the earlier payment as it reduced his overdraft.

Overall, I find TSB has fairly dealt with this complaint by apologising and by paying appropriate compensation. This now brings an end to what we in trying to resolve this dispute informally can do.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 16 November 2023.

David Singh
Ombudsman