

The complaint

Mr A complains that TSB Bank plc (“TSB”) failed to refund a payment for which he was overcharged, and also provided him with poor customer service.

What happened

The details of this complaint are well known to both parties, so I won’t repeat everything again here. In brief summary, Mr A authorised a payment for £9.50 to a bus company in September 2022 using his TSB payment card. However, Mr A said the payment was meant to be for £4.50, and that too much had been debited from his account. He visited his local TSB branch to dispute the payment, and says he was initially told by TSB that it would refund the £5 difference as a gesture of goodwill.

TSB later said it couldn’t see any record of it having spoken to Mr A about the £9.50 transaction or promising him a refund. It also said that it couldn’t assist with the disputed payment any longer as Mr A had since closed his account and moved to another bank.

Mr A tried to raise a complaint about these issues on 2 November 2022 but said he couldn’t get through due to the lines being busy, and when he did get through he was then disconnected but didn’t get a call back from TSB. He therefore complained about the service he’d received as well as the disputed transaction. Mr A is also unhappy that his bank statements and debit card were being sent to his old address as TSB didn’t update his address correctly.

TSB noted that it had made an error in terms of updating Mr A’s address, so it offered £75 compensation in recognition of the distress and inconvenience caused. Unhappy with this, Mr A referred the matter to our service.

Our investigator didn’t uphold the complaint. She was satisfied Mr A had authorised the disputed payment and hadn’t seen evidence that TSB had offered to refund the £5 difference, so she didn’t think it would be fair to ask it to refund the money. The investigator was also satisfied that TSB’s offer of £75 compensation was fair for the poor service it had provided. Mr A disagreed, so the matter has been escalated to me to determine.

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 agree with the conclusions reached by the investigator and have decided not to uphold it for the following reasons:

- There’s no dispute that Mr A authorised the payment he made to the merchant in September 2022, and the starting position is that consumers are liable for payments they’ve authorised, even if they thought they were authorising a different amount. TSB couldn’t find any record of Mr A having disputed the payment with them, and it is now no longer able to dispute the payment as Mr A has since closed his account. So, I don’t

think TSB has acted unfairly by failing to refund the payment in these circumstances. Mr A says he was promised a refund in his local branch, but I'm afraid there's no evidence to corroborate this, so it's not something I can reasonably ask TSB to do.

- I also appreciate that Mr A is unhappy with the service he's received from TSB. I'd like to assure Mr A that I've considered everything he's sent us, and I accept that TSB could have provided him with a better experience at times. I can see, for example, that it failed to update his address properly when he called it on 22 October 2022, and that he had also had difficulty in speaking to TSB, which I appreciate would've been frustrating. However, TSB has offered £75 in recognition of Mr A's poor experience, which I'm satisfied is fair compensation in all the circumstances.
- I understand that Mr A has had to spend time navigating TSB's inbound call system, and that sometimes his calls with the bank disconnected. However, while I appreciate this may be inconvenient, I wouldn't expect TSB to have to compensate every customer that called in and had to wait on hold or who might have had their call disconnected. There's also little to suggest that it wasn't an issue with Mr A's phone that caused the calls to become disconnected, rather than anything TSB has done. TSB has also explained that the advisors Mr A spoke to work solely in an inbound call center, so it wouldn't have been possible for them to call him back in any event. So, while I appreciate Mr A considers he should be paid a higher amount of compensation, I'm not persuaded this would be warranted in the circumstances.

I appreciate this may come as a disappointment to Mr A, but I won't be asking TSB to take any further action.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 11 April 2024.

Jack Ferris
Ombudsman