

The complaint

Mr K complains that TSB Bank plc hasn't protected him from losing money he paid to one of its customers as a result of fraud.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In brief summary, Mr K has explained that between October 2021 and January 2022 he made four payments totalling £30,000 to an account held with TSB as a result of a scam.

Mr K subsequently realised he'd been scammed and referred his complaint about TSB to us. As our Investigator couldn't resolve the matter informally, the case has been passed to me for a decision. On 29 November 2024 I issued a decision explaining why our service is only able to consider Mr K's complaint so far as it relates to TSB's acts and omissions that occurred on or after 31 January 2019. Following this, I'm now ready to explain my final decision on the elements of Mr K's complaint that I can consider.

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.

Let me say, first of all, I'm sorry to hear Mr K has been the victim of a scam. I sympathise. Ultimately, however, Mr K has suffered his loss because of fraudsters. I can't reasonably ask TSB to reimburse losses that resulted from the criminal actions of third parties unless its acts or omissions unfairly resulted in Mr K's loss. So what I have to decide is whether or not TSB reasonably did enough to prevent, or respond to, the alleged authorised push payment (APP) fraud.

TSB has shared relevant information with this service in confidence to allow us to discharge our investigatory functions and has provided that which is necessary for the determination of this complaint. But I'm also limited to how much of this I can share for the same reasons as TSB. But I'd like to assure Mr K I've carefully reviewed everything before reaching my decision.

I appreciate Mr K may feel TSB should refund his loss as it allowed fraudsters to open and operate an account. But I explained in my decision on jurisdiction why I can only consider TSB's actions from 31 January 2019 onwards, and the account that received Mr K's money was opened before then, so I can't consider that.

However, like our Investigator did, I have considered whether there was anything from 31 January 2019 onwards, and prior to when Mr K's funds were spent from the recipient account (and therefore no longer available for recovery) that ought to have alerted TSB to the possibility of fraud. But I'm satisfied from what I've seen that there was no account activity that was sufficiently suspicious such that I could fairly say Revolut unreasonably missed an opportunity to prevent Mr K's loss here either.

I'm also satisfied that Mr K's funds were spent from the recipient account before Mr K was aware he'd been scammed. So I can't say TSB's acts or omissions were the cause of Mr K's funds not being recoverable from the account.

I understand Mr K will be disappointed, and I've taken on board everything he's said. However, for the reasons I've explained, I don't think TSB unreasonably missed an opportunity to either prevent the fraud or to have recovered the funds. So I don't uphold this complaint.

My final decision

For the reasons explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 13 January 2025.

Neil Bridge
Ombudsman