

The complaint

Mr R complains that TSB Bank plc (“TSB”) stopped a transaction for additional security checks and about the process needed to verify payment. Mr R is also unhappy that TSB failed to make a note of his need not to be contacted by phone due to a health condition he suffers from.

What happened

Mr R holds an account with TSB. On 1 November 2023 one of Mr R’s payments were flagged for additional security checks. TSB sent a two SMS fraud verification messages asking him to reply yes or no regarding whether the transaction was genuine. Following this TSB’s automated fraud system tried to call Mr R about the suspended transaction on two occasions on 1 and 2 November and advised he had 7 days to reply “yes” or “no” regarding if they recognised the transaction.

Mr R complained to TSB about this on 7 November. Mr R doesn’t feel he should have to reply to the texts received when he has made payments himself. TSB didn’t uphold Mr R’s complaint as it couldn’t see any errors in its process. It advised if he received a SMS to confirm a transaction is genuine he only needs to reply yes or no or alternatively Mr R can contact TSB via chat as he’s done before and go through security that way. TSB asked Mr R to contact it to discuss if he needs it to work differently because of a physical or mental wellbeing need etc.

Mr R called TSB on 15 November and confirmed the transaction as genuine and his account was unblocked.

Mr R was dissatisfied with this and brought his complaint to this service. Mr R has explained that he had to call TSB or text at a cost to him to confirm the transaction and that he’d already told it he can’t use the phone and that its contact options aren’t adequate for someone with his access needs.

One of our investigators looked into Mr R’s concerns and didn’t think TSB had done anything wrong in flagging the payment or any others as the terms and conditions of account make it clear security checks may be conducted and TSB are entitled to conduct such checks. Furthermore, they were satisfied TSB provided reasonable alternatives regarding contact methods that TSB would use to carry out these checks including phone, text message, email, push notification, post and web chat - which Mr R has confirmed he has been able to do through his mobile app in the past.

But they thought it was likely Mr R had made TSB aware of a condition he suffers from which is exacerbated by phone contact – due to a note held on TSB’s system - and that TSB had failed to take appropriate measures regarding this. This resulted in TSB’s automated fraud system trying to call Mr R about the suspended transactions on two occasions resulting in serious distress for Mr R. As TSB do have an obligation to provide reasonable adjustments to consumers that require them, they thought TSB had failed Mr R in this by contacting him over the phone – although they acknowledge it was automated. To compensate Mr R for the distress this caused and for any associated costs in having the block lifted they

recommended TSB pay £300.

Furthermore, they thought TSB should discuss with Mr R the potential of removing his contact number from his account and explain what the implication of this may be at which point Mr R can then decide whether this action is preferable for him and his health.

TSB, disagreed with our investigator, it says prior to raising this complaint Mr R has never made it aware of his condition or banking needs regarding this. It says besides a note to not call him in relation to a complaint he'd raised about something else, it has no notes recorded in its system regarding Mr R's need not to be contacted over the phone. It says despite asking on numerous occasions if he required tailored support Mr R has never contacted it online, in branch or over the phone about this. And as such it is unable to add support notes or make any reasonable adjustments until Mr R contacts it and gives it the opportunity to do so.

Furthermore, it says it is unable to remove Mr R's number as it won't be able to receive SMS to confirm transactions are genuine and as a result of strong customer authentication ("SCA") requirements by the industry Mr R will need to have a contact number to receive SCA if appropriate and a telephone number is also needed to work alongside its online banking.

And so as Mr R's complaint couldn't be resolved it was progressed for an ombudsman's decision.

I issued my provisional decision on 11 June 2024. In my provisional decision, I explained why I was proposing not to uphold Mr R's complaint. I invited both parties to let me have any further submissions before I reached a final decision and neither TSB or Mr R have added any new information.

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.

In my provisional decision I said that:

"I hope that Mr R won't take it as a discourtesy that I've condensed his complaint in the way that I have. Ours is an informal dispute resolution service and I've concentrated on what I consider to be the crux of the complaint – our rules allow me to do that.

And the crux of Mr R's complaint is regarding the service Mr R received from TSB when its automated system phoned him regarding a transaction that was suspended on his account. In particular, Mr R is unhappy that TSB called him despite him making it aware of his needs requiring it not to contact him by phone.

It might be helpful for me to say here that, as we are not the regulator, I cannot make the bank change its policies or procedures – such as when or how it invokes fraud prevention measures when it has concerns about activity on an account. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

My role is to look at problems that Mr R has experienced and see if TSB has done anything wrong. If it has, I'd seek to put Mr R back in the position he would've been in if the mistakes hadn't happened. And we may award compensation that we think is fair and reasonable.

So the first question I have to ask here is was it reasonable for TSB to invoke the security procedures in the circumstances of Mr R's case.

And I don't think TSB actions were unreasonable. As I've already explained above it's not for me to tell TSB how to run its business, but I would expect TSB to have policies and processes in place to protect it and its customers against fraud – and I think Mr R would agree and understand that.

In this case TSB systems flagged the transaction Mr R wished to make and in-line with its terms and conditions TSB conducted a security check in one of the ways outlined that it says it could first by text and then by an automated call. So I can't say TSB made an error here or did anything wrong in flagging the transaction for an additional security check and contacted Mr R about this.

But I do need to ask whether given Mr R's particular needs due to a medical condition he suffers from, TSB did anything wrong when its automated fraud system called Mr R about the transaction and when Mr R was required to get in contact to verify the payment as genuine. And the answer to this question turns on whether Mr R had made TSB reasonably aware of this prior to the security check being carried out.

And having considered all the evidence – and I know this will come as a disappointment to Mr R – I don't think TSB was reasonably aware before bringing his complaint to this service that he suffers from a serious condition that is exacerbated by phone contact.

I say this as despite raising a number of previous complaints with TSB, I've seen no evidence Mr R has made it aware he suffers from a condition that requires no phone contact. There are no notes on TSB's records about this despite Mr R having raised a number of complaints in the past with TSB and it writing to him asking if he needs it to work differently because of a physical or mental wellbeing need and offering alternative ways to get in contact with it about this.

I accept that TSB does have a note recorded on its system in September 2022 which says:

"I have spoken to customer but he wasn't happy we had called and told me to email him only and hung up".

and

"As customer has advised he doesn't wish to be contacted by phone, I have added a note to his account regarding this".

But TSB have explained that this was an outbound call it made in relation to a complaint Mr R had raised with it. I've listened to the recording of this conversation and it is very brief - Mr R answers the call and when TSB's agent confirms who's calling, Mr R quite aggressively says not to text him as it is spamming him with texts, told not to call on this number, stop spamming me and if you want to get in touch email.

At no point is there any indication that this is due to a particular need he has, rather than just mere annoyance and frustration.

I sympathise with Mr R as he has told this service that he's lived through some very difficult circumstances of which continue to affect his day to day life. And the last thing he wants to do is to re-live that or talk about it. But I don't think it would be fair to penalise a bank for failing to make a note of his contact needs or make the adjustments required when there is

no evidence of him making it aware of any reasonable adjustments or tailored support he may need.

I appreciate Mr R might not want to go into much detail, but I don't think he needs to. Merely, explaining he suffers from a condition where certain types of contact cause him distress should be enough.

In any case TSB is now aware of Mr R's needs and so I would expect it to make the reasonable adjustments it can to support Mr R in its contact with it. I appreciate that it does need a phone number in order to meet SCA obligations and for Mr R to utilise all its facilities. But as it is able to carry out security checks by means that don't require a phone call, I don't think it is unreasonable that it implements a measure - whether that be by adding a no call or text marker or otherwise - to ensure Mr R isn't contacted by phone unless it is strictly necessary for SCA purposes.

So it follows, that after considering everything I don't currently think TSB treated Mr R unfairly when it conducted an additional security check or in the way it did this. And I'm not persuaded that TSB prior to Mr R raising this complaint ought to have reasonably known Mr R had specific needs regarding phone contact that it should've made reasonable adjustments for. But TSB and Mr R should now work with each other to ensure reasonable adjustments are made to limit phone contact between Mr R and TSB."

As neither party has provided any further evidence or arguments for consideration, I see no reason to depart from the conclusions set out in my provisional decision. It follows that I do not uphold this complaint.

My final decision

For the reasons I've explained, I do not uphold Mr R's complaint against TSB Bank plc but moving forward TSB Bank plc and Mr R should work with each other to ensure reasonable adjustments are made to limit phone contact between them.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 7 August 2024.

Caroline Davies
Ombudsman