

## **The complaint**

Ms S says after TSB Bank plc debited her account in error she had to cancel her order for an item that was due to be delivered. The supplier charged her a £50 cancellation fee.

## **What happened**

On 15 March 2022 TSB had a systems incident that meant many transactions that were made on 2 March 2022 were debited again from customers' accounts in error. Ms S was due to pay £230.40 for an item. The duplicate payments reduced her balance to £389.93, but taking into account other spend on the 15 March 2022 Ms S's balance reduced to £204.83.

TSB fixed the error and credited Ms S's account within 24 hours. But she says as she did not know what was happening on the 15th, and could not get through to TSB on the phone, she cancelled her order. TSB says its systems error did not cause Ms S to cancel her order – she had access to her savings and a £100 overdraft so had sufficient funds to proceed. Ms S says she didn't want to use her overdraft due to the charges and the savings are her grandson's money.

Our investigator upheld Ms S's complaint and said TSB should re-imburse the £50 charge she had to pay.

Unhappy with this assessment TSB asked for an ombudsman's review. It said its systems issues did not cause Ms S to cancel her order and incur the £50 cancellation fee. There is no evidence of a bank error as Ms S had access to enough money to pay for the goods via her current account, overdraft facility or her savings.

## **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 am upholding Ms S's complaint. I'll explain why.

TSB argues that Ms S was able to pay for the item on 15 March 2022. And whilst I agree that Ms S had access to sufficient funds, I think TSB is overlooking the impact its systems error had on her confidence that she had the money she had planned to use available. When Ms S noticed the duplicate debits she was unable to get through to the bank to find out what had happened.

It is wholly understandable that the phone lines would have been very busy given the scale of the systems issue. But equally I think TSB has to recognise that this means Ms S was left uncertain as to what had happened, and more critically when it would be resolved. I can see why in these circumstances she took the decision to cancel an order for a high value item. I accept, as TSB argues, she didn't technically have to but I don't think it is fair to say TSB's systems error was unrelated to her decision in the moment. On the contrary I find her testimony credible that it was the sole trigger for her decision. And my role is not to judge whether she made the right decision. Ms S later went on to re-arrange the delivery and pay

for the item so it is clear her intent to purchase had not changed. It follows I think TSB should cover the cost Ms S incurred.

### **Putting things right**

TSB should credit Ms S's account with £50 to cover the cancellation fee she was charged on 15 March 2022.

### **My final decision**

I am upholding Ms S's complaint. TSB Bank plc must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 3 January 2023.

Rebecca Connelley  
**Ombudsman**