

The complaint

H, a limited company complains that TSB Bank plc failed to promptly take steps to recover a duplicate payment that it made by mistake.

Mr A, a director of limited company H, brings this complaint on H's behalf.

What happened

H banks with TSB and realised that it had sent the same payment twice to another party. In early November 2022, H contacted TSB about the duplicate payment and was told it could take up to 20 days for the payment to be recredited to H's account. After not hearing anything by early December 2022, H contacted TSB. There was a further delay before H complained to TSB to be told that H should expect an outcome within 20 days.

Mr H wanted TSB to credit the duplicate payment to H's account and pay compensation for the time wasted chasing the repayment.

During the review of H's complaint, H received the refund and TSB offered £50 compensation. Mr H didn't consider this was enough so asked the investigator to proceed with his review.

The investigator agreed that TSB should've acted sooner to recover the funds in line with the Payment Services Regulations 2017. He thought TSB should pay an additional £100 to reflect the inconvenience to H.

TSB disagrees with the investigation outcome. It says it did offer to cover H's expenses if it provided evidence of them. TSB points out that H always had sufficient funds in its account to cover the payment.

As TSB didn't agree with the investigation outcome, the complaint has come to me for a final decision.

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.

I realise that I've summarised H's complaint in less detail than the parties and I've done so using my own words. The rules that govern this service allow me to do so. But this doesn't mean I've not considered everything that both parties have given to me.

I don't think there's any dispute that TSB delayed in dealing with H's repayment request. So, my decision focusses on the impact of that delay and whether TSB should put things right in line with the investigator's recommendation.

I take TSB's point that it offered to cover H's expenses if it sent evidence of these. I also accept that H had enough money in the account to cover the duplicate payment so didn't suffer financially because it couldn't pay another supplier for example. But this doesn't mean

I can't make an award to reflect the inconvenience caused to H when Mr H, as the sole director, had to chase TSB and repeatedly contact the party it had overpaid – which I assume diverted time away from running the business of H.

I agree that the investigator's suggestion of a compensation award totalling £150 for the inconvenience caused is fair. It's within the range of an award we might make where the mistake has taken a reasonable amount of effort to resolve. Our approach to awards like this is on our website.

Putting things right

To put things right TSB should pay H a total of £150 compensation. For the avoidance of doubt, this includes the £50 offered by TSB.

Mr H says that TSB has already paid £50 into H's account. If this is correct and H accepts my final decision, TSB will need to pay H a further £100.

My final decision

My final decision is that I uphold this complaint. In full and final settlement, I require TSB Bank plc to pay H a total of £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask H to accept or reject my decision before 27 March 2023.

Gemma Bowen
Ombudsman