

## **The complaint**

Mr S complains Tesco Personal Finance PLC trading as Tesco Bank sent him a new credit card but didn't initially explain why.

## **What happened**

When Mr S received a new credit card he believed it was because his existing credit card was due to expire. He's then found out this isn't the case, and thought Tesco lost his details.

Tesco said having reviewed Mr S' complaint, in May 2023 they were told that due to a breach of security with a third-party retailer, his credit card details may have been compromised. Tesco said this information could have come from a merchant he used, the card scheme issuer, or from their own fraud team. Tesco added they don't know who provided this information, and it's not something they can get either.

Tesco said when they sent Mr S a new credit card, they should have sent a message to him explaining this. They understood Mr S was now feeling anxious, but they said they'd done all they could – although they did suggest Mr S register his details with Cifas and said this would protect his details further. Tesco said sorry for not sending Mr S a message about the reason for sending him a new card – and credited £75 to his account in recognition of this.

Cifas describes themselves as the UK's fraud prevention community. Mr S would be able to ask for Protective Registration and means organisations who are considering granting lending in Mr S' name would carry out more detailed checks. This is to ensure it's the real Mr S who is taking out the lending and try to prevent fraud in Mr S' name.

Unhappy with this Mr S asked us to look into things. One of our Investigators did so but felt Tesco's offer of £75 was enough to put matters right.

Mr S didn't agree. He said Tesco initially said in their response they'd been told of a breach with a retailer, and then said there 'may' have been a breach with the retailer. He said he didn't trust them as they'd been inconsistent. Mr S was also unhappy Tesco's Data Protection Officer wouldn't speak to him directly. And he was also unhappy at an attempted payment made on his credit card on 9 August 2023. He felt we hadn't investigated matters fully, so the complaint's been passed to me to decide.

## **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 think it's important to explain I've seen no evidence Tesco are the source of the breach of Mr S' data. So, I can't legitimately hold them responsible for that – I can only look at whether they've handled things as I'd expect.

Tesco did cancel Mr S' existing credit card, which was the right thing to do given his details may have been compromised. I know Mr S says Tesco have been inconsistent on this point in their response, but I don't agree. Tesco said:

*Having reviewed your complaint, in May 2023 we received notification that due to a breach of security with a third-party retailer, your card details may have been compromised.*

There are two parts to this statement – which I don't think are contradictory. The first part is Tesco say they were told about a breach of security with a third-party retailer. This doesn't, automatically, mean Mr S' details were compromised – it only means there was a breach at the third-party retailer. And the second part of the email says Mr S' card details may have been compromised. It doesn't say they were – it only says they may have been. Tesco have said they don't know what exact details were compromised – so, as I understand it, they didn't know at the time if Mr S' details were or weren't compromised. To reiterate though, even if Mr S' details were compromised, that wouldn't have been Tesco's fault as the breach happened with another party.

Tesco have said they should have notified Mr S about the reason for this. And I agree, they should have so he could have been vigilant about any other kind of fraud. I imagine he was shocked when he received a message on 9 August 2023 about a payment he hadn't attempted. But, I think this shows Tesco's approach to the safety and security of Mr S' credit card has worked – they stopped the card, and when someone attempted to make a payment they contacted him about it.

I understand from Mr S' point of view Tesco have let him down. But, the only error I can find they made is not texting him the reason why they were sending him a new card – the actual issue was with another party.

In respect of the Data Protection Officer, this isn't something I can get involved in. If Mr S wants to complain about this issue, he'll need to raise a complaint with the Information Commissioner's Office – as Tesco said.

Overall, the only issue I think Tesco are responsible for getting wrong is not sending Mr S a text message. In that context, I'm satisfied £75 is a fair remedy to put things right. And, as they've already paid this amount. I don't require them to do anything further.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 26 March 2024.

Jon Pearce  
**Ombudsman**