

The complaint

Mr L complains that Tesco Personal Finance PLC, trading as Tesco Bank, sent him a text addressed to someone else asking for a credit card payment causing him panic and concern about his account.

What happened

Mr L has had a credit card with Tesco Bank since 2017. On 23 January he received a text message addressed to another name informing him he hadn't made a credit card payment. Mr L said this caused him to panic as he had already made a payment for that month. He was also concerned that the text was addressed to a different name. He brought a complaint to Tesco Bank. Tesco Bank didn't uphold Mr L's complaint, so he brought it to this service.

Mr L said this had caused stress and worry as his phone number was potentially connected to another Tesco Bank account. He was also concerned that the text said no payment had been made which could impact his credit file.

Our investigator said that while Tesco Bank could've been clearer in explaining to Mr L what had happened she was satisfied Mr L's contact details with Tesco bank were correct and the problem has now been resolved. Mr L didn't agree and asked for a decision from an ombudsman. I issued a provisional decision on 12 July 2024. I said:

In its response to our investigation Tesco Bank said that a search of the number had been conducted and Mr L's number had been attached to another customer's account. The number has been removed from that third-party account as the customer confirmed it wasn't their number.

Tesco Bank sent the third party a text requesting payment to the number it had on file for that customer. It's not clear why Mr L's number was on this other account and there could be several reasons including an error by the third party. So I'm not able to say with any certainty that Tesco has made an error. When the incorrect number was discovered the problem was investigated and resolved.

Mr L has said it isn't acceptable that a phone number could be used on another account when Tesco Bank uses mobile authentication via text. Tesco Bank has told this service that Mr L's phone number was used only for this one text message in relation to the third party and has not been connected to mobile banking. And as I said above it's been removed from the account.

I understand Mr L's concern that the lack of clarity from Tesco Bank has caused him worry. He said Tesco Bank immediately dismissed the complaint when a genuine concern was raised. He said it didn't provide any follow up or any reassurance. Mr L also said that he had been contacted by Tesco Bank in June 2023 due to a data breach on this same account and some of his information had been affected. He said this added to his concern. Mr L provided evidence of this.

In its final response letter Tesco Bank said:

“My findings:

Firstly, I’m sorry you’ve had cause to raise a complaint. I’ve investigated this for you and will present my findings below. Thank you for bringing this to our attention. I’ve been in touch with the relevant people and will continue to investigate this.

My decision:

Based on the above, I’m unable to uphold the complaint.”

Unfortunately because the complaint involves a third party and data privacy law it’s not possible for Tesco Bank to disclose a fuller account of its investigation. But given the text issue also related to Mr L’s own data I do think it should have provided reassurance that Mr L’s account was secure. And I’m not persuaded Tesco’s response to Mr L’s complaint does this. So I find it understandable that Mr L would be very worried.

So, subject to any further information I might receive I was minded to instruct Tesco Bank to pay Mr L £50 for the distress and inconvenience this has caused. Both parties accepted my provisional 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.

As both parties have accepted my provisional decision I see no reason to depart from its conclusions.

Putting things right

To put things right Tesco Personal Finance PLC, trading as Tesco Bank, must pay Mr L £50 for the distress and inconvenience this has caused.

My final decision

My final decision is that I uphold this complaint and Tesco Personal Finance PLC, trading as Tesco Bank, must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr L to accept or reject my decision before 26 August 2024.

Maxine Sutton
Ombudsman