

The complaint

Miss B complains that TSB Bank plc ("TSB") failed to refund transactions she didn't recognise.

What happened

Miss B explained that she received a weekly update about her account from TSB. After reviewing the information she noticed that three identical payments had left her account. They were made through a popular online marketplace I'll refer to as E.

Each payment was for £142.74 with additional fees. Miss B told TSB that she had an account with E. She said she'd last ordered something less than a week earlier, but this was for less than £10. Miss B checked her account with E but couldn't see the order. She was advised to change her password. Miss B confirmed no one else had use of her card and she still had it in her possession.

TSB made a temporary refund whilst they looked into the account. They then used the chargeback process to challenge the transactions. E responded with evidence that indicated the order had been made using Miss B's card details (including the three-digit security numbers), E's records showed Miss B's correct name and address details were included in the order which had been delivered to her address. Proof of delivery was included in the information.

TSB advised Miss B they were going to take the temporary refund back based on the evidence provided by E. Miss B continued to deny ordering anything and was able to produce a package that had been delivered to her that related to the order information provided by E. The items ordered (x3 measuring devices) differed from that which was delivered (an item of jewellery).

Miss B complained about TSB's handling of her dispute and after reviewing their actions, TSB didn't change their position. Miss B then brought her complaint to the Financial Ombudsman Service for an independent review. An investigator was assigned to look into the matter.

Miss B confirmed her version of events and TSB provided details of their investigation, including the evidence provided by E.

After reviewing the evidence, the investigator concluded that these transactions were likely made by Miss B based on the knowledge of the card details and her private information used to fulfil the order. It was also commented that if an unknown third party had these details, they could have taken far more from Miss B's account based on the available balance at the time. Miss B's complaint wasn't upheld.

Miss B disagreed with the investigator's opinion and asked for a further review of her complaint. Miss B also provided additional details:

- Her account was compromised, and her personal information was changed before the order

was placed.

- The order details were not recorded on her account. Although, Miss B was later able to provide copies of the confirmation emails for the order and screenshots of her account showing the order.
- Evidence of changes to her account around the time of the disputed transaction.
- Evidence of Miss B changing her password after reporting it to TSB.
- Evidence of other changes to her account after the disputed transaction took place.
- Miss B believed the order was a scam.
- Miss B said she retained the item of jewellery as proof the order was incorrect.

As no agreement could be reached, the complaint has now been passed to me for a 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.

The relevant law surrounding authorisations are the Payment Service Regulations 2017. The basic position is that TSB can hold Miss B liable for the disputed payments if the evidence suggests that it's more likely than not that she made them or authorised them, but TSB cannot say that the use of the card's details for online payments conclusively proves that the payments were authorised.

Unless TSB can show that consent has been given, it has no authority to make the payment or to debit Miss B's account and any such transaction must be regarded as unauthorised. To start with, I've seen the bank's technical evidence for the disputed transactions. It shows that the transactions were authenticated using the payment tools issued to Miss B.

It's not my role to say exactly what happened, but to decide whether TSB can reasonably hold Miss B liable for these transactions or not. In doing so, I'll be considering what is most likely on a balance of probabilities.

The order was made using Miss B's TSB payment card from her account with E. Miss B was a fairly regular user of the account to purchase items from E. The disputed transactions are for higher amounts than Miss B usually uses her E account for, but not so high to be suspicious. Whoever used the account would've needed to know Miss B's password and then obtain the relevant details about her home address and the payment details (including the three-digit security number from her card).

Miss B has said someone else accessed her account to make the payments. There is evidence around the time of the order that her account was accessed from another device and an email was sent to Miss B immediately to alert her. Further emails were sent to her about the transaction and one confirming some details had been updated. I can't say who accessed the account based on this information.

But, Miss B has said she didn't order anything using her account with E at the time of the disputed transactions. She also said she didn't see the order on her account, but later was able to provide screenshots of it and copies of emails sent to her confirming the order and

the delivery details. I thought it a little surprising that Miss B didn't notice the numerous emails sent to her by E, particularly as she was able to produce them to us sometime after her complaint had been made.

I thought the actual order was also a little unusual because whilst Miss B has denied making any purchase – an item was delivered which was completely different to what was contained on E's records. I can't know what actually happened here, but I don't think that the answer here is that someone unknown to Miss B was responsible for the disputed transactions.

I've also considered how Miss B's account was used, which doesn't persuade me that an unknown third party was responsible. There doesn't appear to have been anything changed that prevented Miss B from accessing her account and given she was able to produce various emails about the order, this conflicts with Miss B's earlier evidence that she couldn't see those details.

I've also thought about the overall situation here, it just doesn't seem plausible for someone to compromise Miss B's account and then order something that was going to be delivered to her home address. There seems little reason for doing so and when taken against the available funds in her account at the time, I just don't think the transactions were carried out by an unknown third party.

I recognise that there may well have been some issue with what was ordered, but that's quite a different matter to that which Miss B has complained about. She's denied making any payments, when I think, on balance, that it was more likely than not they were carried out by her or with her knowledge.

Overall I don't think that TSB acted unfairly here and it was reasonable for them to hold Miss B liable for the payments made from her account.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 24 April 2025.

David Perry
Ombudsman