

The complaint

Mx B complains that Barclays Bank UK LPC trading as Tesco Bank is holding them liable for a transaction they didn't authorise.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

On 30 December 2024, Mx B contacted Tesco Bank to dispute a transaction for £1,047.81 dated 21 December 2024, but it didn't accept they didn't authorise it.

Mx B complained to Tesco Bank about the outcome of the claim. They also complained about the way it had handled the claim, including when it was first logged, the length of time they had to wait for an outcome, and the fact they weren't given written confirmation of the outcome. Mx B also complained that they were misgendered during the outcome call on 10 February 2025.

Tesco Bank apologised that there had been delays, but it maintained Mx B had authorised the disputed transaction. It explained that during the call on 30 December 2024, Mx B was told there might be another call, but Mx B called Tesco Bank back and the dispute was logged. Tesco Bank then called again because the second call hadn't yet been recorded. It further explained that Mx B was told during a call on 3 February 2024 and by email on 6 February 2024 that the outcome would be provided either by phone or in writing. And that Mx B wasn't called 'sir' during the outcome call.

Mx B wasn't satisfied and so they complained to this service. Mx B doesn't accept that the transaction was authenticated via Face ID on the mobile app, explaining that due to their disability, they are physically incapable of holding a phone up to their face. They further argued that the Equality Act 2010 requires service providers to make reasonable adjustments for disabled individuals, yet Tesco Bank refused to accommodate their specific needs.

Responding to the complaint, Tesco Bank said it had provided a total of £500 compensation, which was fair and reasonable in the circumstances.

Our investigator didn't think the complaint should be upheld. Regarding the disputed transaction, she said the card details were used online, and the mobile banking app was accessed via Mx B's genuine device via face ID to authenticate the transaction. She noted the same device ID was used to approve another transaction made 10 days before, which Mx B had confirmed was genuine, and the same device ID was used frequently to log in to the app. She acknowledged Mx B's comments that they hardly used the mobile app, and can't use face ID, but she said this wasn't consistent with the evidence and she was satisfied the transaction was most likely authorised by Mx B.

She further noted that Tesco Bank had already paid £300 compensation for having misgendered Mx B under a different complaint reference, and so she didn't think they were

entitled to any more compensation for this. And she noted Tesco Bank had contacted Mx B when the complaint had already been logged, but she didn't think they needed to be compensated for this.

Our investigator agreed Mx B waiting a long time to wait for the outcome of the claim, but she noted they were given a temporary refund while the claim was ongoing, and the claim was rejected. So Mx B wasn't entitled to any compensation for this. She also agreed the fraud outcome could have been sent via email, but she didn't think a telephone call was unreasonable, as Tesco Bank had contacted Mx B in the past via telephone about the disputed transaction.

She noted Tesco Bank had paid a total of £500 for the complaints combined, and she was satisfied that was fair.

Mx B has asked for the complaint to be reviewed by an Ombudsman.

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've reached the same conclusion as our investigator. And for largely the same reasons. I know Mx B feels strongly about this complaint, and this will come as a disappointment, so I'll explain why.

Authorisation

Authorisation has two limbs – authentication and consent. So, Tesco Bank needs to show the transaction was authenticated as well as showing Mx B consented to it.

Authentication

Tesco Bank has been able to show the transactions was made using Mx B's debit card and that it was approved on the mobile app using Mx B's face ID. So, I'm satisfied it was authenticated.

Consent

Mx B has said they didn't authorise the transaction. They have stated that due to their disability, they are physically incapable of holding a phone up to their face. They have also said that they don't use Face ID.

Significantly, the IP address used to process the disputed transaction has been used to log into the app before and after the transaction. The same device ID was used to approve another transaction made 10 days before, which Mx B had confirmed was genuine. And the same device ID was used frequently to log in to the app. Mx B has also stated no one has access to the phone. So, while I have considered Mx B's comments about not being able to hold up a phone, I agree with our investigator that without a plausible explanation as to how a third party could have accessed the app using Mx B's phone without their permission, I think it's most likely that the transaction was performed by Mx B.

Because of this, I'm satisfied Tesco Bank has shown that Mx B authorised the transaction and so I can't fairly ask it to refund the money.

I have further considered the service Mx B received when the claim was first reported and while I note there was a call after the claim was logged, this isn't something that would justify compensation. Similarly, I agree there were delays and that Tesco Bank didn't tell Mx B about the outcome of the claim until 10 February 2025, but Ms X had been given a temporary refund while the claim was investigated and so the impact of the delay was limited. I also accept that Mx B had asked for all written communication by email, but as previous communication concerning the claim had happened by phone even though I don't think it was unreasonable that Mx B learned about the outcome of the claim in the same way, especially as they were told on 3 February 2025 that the outcome would either be by phone or in writing.

Finally, Tesco Bank doesn't accept that Mx B was addressed as 'sir' on 10 February 2025, but I agree with our investigator that the £300 compensation it offered Mx B for the same issue on 6 March 2025 is fair and that they wouldn't be entitled to any more in the circumstances.

Overall, while I understand Mx B will be disappointed, I'm satisfied that the compensation they have already received from Tesco Bank is fair and reasonable compensation for the impact of its failings and so I won't be asking it to pay anything further.

My final decision

For the reasons I've outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask X to accept or reject my decision before 19 December 2025.

Carolyn Bonnell
Ombudsman