

The complaint

Mr R complains that a fraud alert was triggered on his TSB Bank plc trading as TSB card when he tried to pay his council tax.

What happened

Mr R tried to pay his council tax using his TSB card. This was declined, and Mr R received a text message asking him to confirm the payment was genuine. Mr R attempted to make the payment again the following day, this triggered another, higher level security block. But Mr R didn't receive a text message this time from TSB.

Mr R had to call TSB and following the call was able to make the payment. Mr R complained about this.

TSB said its fraud detection system had worked correctly, but that when the payment was declined for a second time, he should've received an SMS asking him to call to unblock the card. As it didn't send this, it paid Mr R £30 compensation.

Unhappy with this response, Mr R referred his complaint to our Service. Our Investigator explained to Mr R that we couldn't provide further information about TSB's security policies for operational reasons. However, he was satisfied that TSB's fraud system had worked as expected. He agreed that TSB should've sent a text message following the payment being declined for a second time, but as this would've resulted in Mr R having to call TSB anyway, he thought the impact was low. Our Investigator also noted there had been no financial loss to Mr R. Overall, our Investigator was satisfied the £30 TSB had offered was fair and reasonable.

Mr R didn't accept this, so the complaint had been passed to me to make 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.

TSB has explained to us that its fraud prevention processes were triggered both times Mr R tried to make the payment for valid reasons. Unfortunately, as our Investigator explained, we can't provide any more information on the fraud policies than that. Due to the nature of these policies, and what they are designed to prevent, it's important that the detail remains confidential. Whilst I understand Mr R's frustration, I can't tell TSB to divulge more information in this regard. Nor can I tell Mr R how he can avoid this occurring in the future.

The mistake TSB made in this situation was not sending Mr R a text message asking him to call when the payment was declined for a second time. Whilst this would've been frustrating for Mr R, he called TSB anyway and was able to make the payment soon after. Therefore, I'm satisfied the frustration and inconvenience was minimal as he ended up calling as per any text message instruction he would've received. Based on this, I'm satisfied the £30 compensation TSB has paid is fair in the circumstances.

Mr R is, understandably, keen to prevent this from happening again. But, as explained above, the nature of fraud prevention policies must remain confidential, and by their nature, what triggers these checks must remain unpredictable. It's not our role to tell a business how it should operate, or to change its internal policies – that's a matter for the industry regulator. If something like this were to happen again, Mr R may need to raise it as a new complaint if he felt this was required.

My final decision

The £30 TSB Bank plc trading as TSB has paid is fair and reasonable in the circumstances, and I'm not going to require it pay anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 5 January 2025.

Rob Deadman
Ombudsman