

## **The complaint**

Mr J complains TSB Bank plc failed to act quickly enough to recall a payment he had sent in error. He's also said TSB's communication was extremely poor.

## **What happened**

Mr J says on the 13 May 2025 he made a payment for £180 but sent it to the wrong payee in error. He immediately contacted TSB and explained the issue asking for the payment to be recalled.

Mr J says a couple of weeks later he was told the recipient had offered to repay the money at £10 a month for 18 months, which Mr J turned down. Mr J says he heard nothing further until he contacted TSB on 20 June just to be told the matter had been closed as the person had said the money had been intended for them (which Mr J says is untrue).

A complaint was raised, which TSB initially dealt with on the phone and it paid £15 compensation for the service issues on 20 June. Mr J was unhappy with that so the complaint was reopened and responded to on 11 July 2025. TSB said that whilst it was unable to reclaim the funds, it hadn't kept Mr J informed as well as it should have done and for that it paid a further £35 compensation on 11 July. Mr J wasn't happy with TSB's response and referred the matter to this service.

Our Investigator looked at all the available information but didn't uphold the complaint. He felt that TSB couldn't be held responsible for the payment going to the wrong payee as this was an error made by Mr J. The Investigator said TSB did attempt to recall the payment, but unfortunately was unable to do so with the recipient instead offering £10 a month for 18 months. While the Investigator sympathised with Mr J, he didn't feel TSB had made an error here.

Mr J didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman 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.

I can understand how upsetting and frustrating it must have been for Mr J to find the £180 payment he had made in error, couldn't be recovered by TSB. When looking at this complaint, I will consider whether the actions TSB took, led to the failure of the recall of the payment from the recipient's bank account.

The first thing to say here is Mr J has accepted he was responsible for making the error in the first place, when he sent the payment but selected the wrong payee. It remains Mr J's responsibility to properly check any payment before authorising it so I can't hold TSB responsible for the incorrect payment being sent in the first place.

That said, Mr J's complaint centres around TSB's actions after he had made it aware of the issue.

From the information provided to this service, I can see Mr J spoke to TSB as soon as he made the payment on 13 May. Mr J explained he had made a payment for £180 but had selected the wrong payee and asked for the payment to be recalled. Mr J has told this service that he chased TSB for updates but felt he wasn't getting anywhere.

While I can understand how upsetting this matter has been for Mr J, when coming to an impartial decision I can only rely on the information provided to me. I have no way of knowing what happened to the funds after they were received by the recipient, only that the recipient bank said there were insufficient funds available in the account for the money to be returned.

What I can say is, from the system notes provided by TSB, it's clear they instigated the recall of the payment on the 15 May 2025. While I understand Mr J feels they should have acted sooner than that, the recall was actioned within the 48-hour timescale, detailed in the Credit Payment Recovery (CPR) process, for those banks who participate in the faster payment service. So, TSB acted within the guidelines set and did what we would expect to see here.

Unfortunately, Mr J sent a faster payment which cannot be cancelled. TSB have correctly followed the guidelines set, and I am satisfied they have done nothing wrong.

Mr J has said that TSB dismissed this as a civil matter which he says was procedurally incorrect. But TSB only said that after it had been unable to retrieve the funds, and after Mr J had turned down the recipient's offer to repay the money over 18 months. TSB was right, by then it was a civil matter as the CPR process had been followed but had proven unsuccessful in retrieving the funds. TSB can only make one request under that process and if it is turned down then there is nothing further it can do. It isn't the case that Mr J didn't get the money back because TSB believed them that they were the intended recipient, it was that TSB went through the correct process and it was ultimately unsuccessful. There was no right of appeal from Mr J at that time so, even if TSB had told him sooner of what the recipient had said, it would have made no difference to the overall outcome.

Mr J says he only received £35 compensation, but I understand the other £15 was offered in the complaint call in June and I can see that was paid into his account on 20 June, so a total of £50 has been paid.

It seems much of Mr J's complaint is due to not being kept informed by TSB so he doesn't know what TSB did to try to retrieve the money. For instance, Mr J has said TSB refused to initiate the Mistaken Payment Recovery process and instead classified this as a civil dispute, but that isn't what happened. TSB followed the process, initiating it within the 48-hours allowed. Ultimately that was unsuccessful but that wasn't due to anything TSB did or didn't do, it was because the funds weren't able to be retrieved due to there being insufficient funds in the account the money was sent to.

TSB has accepted it didn't deal with things as well as it could have done in terms of keeping Mr J informed and for that it has already paid £50 compensation. I'm satisfied, having considered everything very carefully, that is fair compensation for any customer service failings.

For the reasons I have already explained, TSB didn't make any mistakes that led to the payment being sent to the wrong beneficiary nor did it make any errors when attempting to retrieve the misplaced payment. It is unfortunate that Mr J sent the money to the wrong person, and that recipient of the funds then had insufficient funds in their account for the

money to be retrieved; but none of that is TSB's fault. While Mr J will be disappointed with my decision, I won't be asking anymore of TSB here.

**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 Mr J to accept or reject my decision before 5 January 2026.

Julia Meadows

**Ombudsman**