

## **The complaint**

A limited company which I'll call 'T' complains that TrustUK Payments Ltd gave it incorrect information which led to a financial loss.

The complaint is brought on T's behalf by its director, Mrs P.

## **What happened**

T has an agreement with TrustUK Payments Ltd (TrustUK) for it to provide card processing services.

Mrs P told us:

- T either receives transactions in person at its premises using a card machine, or over the phone when details are manually entered as the card is not present and a customer wishes to pre-pay.
- In February 2024, it was taking payment via the card machine when there was an issue with the receipt. To resolve the issue, T called TrustUK but whilst on the call, it was identified that T had suspended transactions showing on the account.
- T asked TrustUK if it needed to do anything to release the transactions. Initially the caller said the transactions needed to be actioned by T, but then it said they would be released automatically after thirty-one days, or T could release them manually.
- Due to the advice given by TrustUK, T didn't take any action with the transactions. It didn't realise these were 'pre-authorized' transactions and by not approving them the transactions were returned to the card holder. As a result of the advice, T didn't release the transactions itself but then in October 2024 after a customer call, it realised it wasn't receiving the transactions it expected.
- Trust UK's advice caused a loss of £14,000 of transactions which it didn't receive. It's been caused inconvenience and reputational damage trying to recover those losses over an eighteen-month period.

Trust UK told us:

- It had reviewed T's account, and it was satisfied that T had a good understanding of both authorised and pre-authorized transactions, both for card present and card not present transactions and the differences between them. However, it thought there was an issue with how T's staff were submitting the transactions when they were taken.
- It had listened to the call between T and its agent in February 2024 and thought that there had been a miscommunication during the call about which transactions needed to be manually released as there was a discussion about pre-authorization for settlement and card not present transactions.

- When T had signed up for its service, it had provided guidance on how to process different transactions, and this information was also available online at any time. It was satisfied that T had been given correct information and didn't think it had done anything wrong, however it was happy to provide additional training for T if this would be useful.

Our investigator didn't recommend the complaint be upheld. She said she'd listened to the call between TrustUK and T in February 2024, and although the call was confusing at times, she was satisfied that TrustUK had told T it needed to confirm the suspended 'pre-authorised' transactions in its account for the transactions to actually be received. She also said she was satisfied that T was aware of the different types of transactions it was receiving, and that these required different processing methods. The investigator thought that if T was unsure about the information it had received, it was reasonable to think T would have checked that it was receiving the 'pre-authorised' transactions automatically or only when they were confirmed. However, she also noted there was a step-by-step guide and video available to T which also showed the process to receive these transactions. So, she didn't think it was fair to hold TrustUK responsible for T missed transactions.

Mrs P didn't agree and asked for an ombudsman to review T's complaint. Mrs P said T had received advice from TrustUK on the call and should have been able to rely on this and not have to check this on the user manual.

I issued a provisional decision on 28 November 2025. I said the following:

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 decided to uphold it. I'll explain why.

T told us that it was caused inconvenience by the advice given to it by TrustUK, and I do think that's the case. However, I'm not persuaded that TrustUK is responsible for the losses it says it incurred. I say that because T told us TrustUK's advice caused it to lose £14,000 and some of the transactions it had to chase to recall were around eighteen months old. However, the phone call with TrustUK which T says it relied upon took place in February 2024 and it told us it identified the issue in October 2024. Therefore, if the longest period that there could have been missed transactions for would have been around eight months for any pre-authorised transactions to have dropped from T's account.

I've listened to the call between T and TrustUK on 5 February 2024, and I think there was some confusion on the call. I think TrustUK's call handler was initially very clear that pre-authorised transactions would need to be settled by T for those transactions to be made. However, it appears the call handler then either got confused by the additional questions asked by T or doubted the answer they had given originally. I say this because they then said the transactions would settle automatically and that T wouldn't lose anything if they weren't settled manually, as this just sped up the process. So, I do think that T was told conflicting information at the end of the call.

However, I don't think TrustUK can be held solely to blame for the inconvenience caused to T. I say that because T has been a customer of TrustUK since March 2023, and on the call in February 2024, Mrs P clearly says that T has not been following the pre-authorisation process since that date. This means that since March 2023, T wouldn't have received its pre-authorised transactions as these would have dropped off after the thirty-one days. TrustUK has shown the user guides and online guides that were provided when T took out the agreement with it, so I'm satisfied that

there was information available to T regarding the steps it needed to take to authorise transactions.

I recognise that T says it shouldn't have needed to check the pre-authorised transactions were being completed after this call, because it should have been able to rely on the information it was given. However, as I've mentioned above, I think TrustUK's agent was clear initially that pre-authorised transactions would need to be approved, and I think it's reasonable to believe that T would have checked at least one transaction of this nature completed without being manually approved by it.

T has told us that it was caused a financial loss of £14,000 and inconvenience by TrustUK's actions as it had to call customers for transactions. I haven't seen any evidence of the financial loss T says it was caused as a result because of the call with TrustUK, but if T can provide evidence of transactions which it was unable to recover during the period of February 2024 to October 2024, then I will consider this.

However, I do think that T would have been caused inconvenience from having to call customers to re-take the pre-authorised transactions. Therefore, I think TrustUK should pay T £150 compensation for this.

I invited T and TrustUK to give me any more evidence and information they wanted me to consider before issuing my final decision.

T responded with evidence of 58 payments totalling £4,871.99 which were received between 5 February 2024 and the end of August 2024, which it says it couldn't recover despite attempts via email and phone. It also provided supporting evidence of the attempts that were made. T reluctantly accepted the £150 compensation for the inconvenience caused, although it noted this wasn't a lot for the time its staff had spent trying to recover the payments which hadn't been processed correctly over the eight-month period as a result of the advice given by TrustUK.

Trust UK didn't accept the decision. It said in summary that:

- The provisional decision only recommended £150 compensation.
- T had processed payments in the correct way for these payments and provided evidence of a payment processed on 5 February 2024 and two payments from January 2024 which were also completed on 5 February 2024. It said this therefore showed T had a clear understanding of the process.
- It provides user guides via its online portal for generating and completing pre-authorisation payments, including video tutorials.
- Pre-authorisation payments are riskier and more prone to chargebacks. By taking pre-authorisation payments in the manner it did, T had accepted the risks of this type of payment, including non-settlement. By not following the correct process and checking the settlement reports, T had acted negligently.

### **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, after considering the evidence provided by T of its financial loss, and TrustUK's response to this, I uphold this complaint. After considering the additional information provided by both parties, and the specific circumstances of this case, I think

TrustUK should refund T the loss it incurred of £4,871.99 and pay £150 compensation for the inconvenience caused. I'll explain why.

TrustUK said that the provisional decision only recommended compensation of £150 not a refund of any payments, but I disagree. The provisional decision said, "*I haven't seen any evidence of the financial loss T says it was caused as a result because of the call with TrustUK, but if T can provide evidence of transactions which it was unable to recover during the period of February 2024 to October 2024, then I will consider this.*" In this case, T provided a list of the payments it was unable to recover, and this information was shared with TrustUK once it was received from T- ahead of this final decision being issued.

Given the online information and resources available to T from TrustUK, and the information initially provided to T on the call of 5 February 2024, I've thought about whether it would be reasonable for TrustUK to be responsible for T's financial loss. Based on the evidence provided by both parties, I'm satisfied that the company did suffer a financial loss as a direct result of the advice provided by TrustUK on the call of 5 February 2024.

T told us that it didn't realise there were different ways of processing payments and that it solely relied on the information provided by TrustUK. TrustUK responded to T's evidence of loss with information showing that three payments were correctly processed by T using the 'pre-authorisation process'. It says this shows T had a clear understanding of the process it needed to follow. However, the evidence from TrustUK shows these payments were all processed or completed on 5 February 2024, at the time of the call with its agent. Furthermore, on the call with TrustUK's agent, I think it was clear the three payments in question were either completed by the agent guiding T through each step or the agent themselves processing the payments for T.

TrustUK hasn't provided evidence of any other pre-approved payments completed by T in this manner, except for those at the time of the call. I think this supports T's version of events that it didn't know it had to approve pre-authorised payments or that there was a different process it needed to follow for these payments, before it had the call with TrustUK. So, I'm satisfied that T didn't have the understanding of the pre-authorisation payment process that TrustUK claimed. I think this evidence also supports T's explanation that it relied on the information provided by TrustUK on the call of 5 February 2024, which is why it didn't challenge this or check that future payments were being credited after thirty-one days, as that's what it had been told.

TrustUK says that it provides comprehensive guides regarding pre-authorisation payments via its support portal, and I don't dispute that's the case. However, even if T had read the processing guides and had some idea of how these payments needed to be settled (which I don't think was the case here for the reasons I've explained above), T had called TrustUK for advice and was told that its payments would clear automatically after thirty-one days. Taking into account the specific circumstances of this case, I can understand why T said it had relied on the advice it was given by TrustUK here.

I recognise TrustUK thinks it's unfair to hold it responsible for T's loss given the other support available. But I'm not satisfied in this case that the availability of this alternative guidance overrides the incorrect information provided by TrustUK on the call where T had called for support. It appears from the call with TrustUK that T had just identified there were pre-authorisation payments that were pending and didn't look quite right. I think on the balance of probability that if TrustUK hadn't said these payments would automatically clear in thirty-one days that T would have taken further steps to check why the payments were pending, but after the call it didn't think this was necessary.

TrustUK also says that it shouldn't be liable for the payments taken by T in this way as they are more prone to chargebacks or fraud and T had clearly taken on this risk. TrustUK also says this shows negligence on T's behalf that it wasn't checking this information on the settlement reports. However, I don't think T's actions of trying to recover pre-authorisation payments once it was aware these weren't being paid show it had accepted the additional risks involved with these types of payment. I'm satisfied in this case that T wasn't aware of the difference in the payment types and simply took pre-authorisation payments in this way ahead of payments being made. I think this is further evidenced by T's actions once became aware it had to take additional steps for payment to actually be received if they were at the pre-authorisation stage. Furthermore, I think it's reasonable to believe that if TrustUK thought that T was acting negligently or increasing the risk of chargebacks and fraud by processing payments in this way, that it would have highlighted this to T prior to this complaint being raised, but I can't see that's the case.

I do also think it's worth noting here that T told us it wasn't aware of the pre-authorisation process as this wasn't the way it worked with the previous provider who TrustUK took over from. T has also made us aware that as a result of this complaint, that it believes it was misadvised when the change of provider took place. It therefore believes that it has lost significantly more than the transactions which have been considered as part of this complaint. Indeed, T provided evidence of missing payments since the start of 2023 which it wanted me to consider. I have explained to T that this complaint only relates to the advice given on the call of 5 February 2024 and the resultant loss. If it has concerns about information and advice given prior to this date, then it would need to raise that separately with TrustUK. If T remains unhappy with TrustUK's response to that complaint, then our service may be able to consider this.

I recognise that T said that it didn't think the compensation awarded was enough for the hours that it had spent trying to recover its losses. However, our service doesn't award losses based on an hourly rate. We look at complaints holistically and consider the overall impact on a business. We publish information on our website about our approach to awards (which can be found here: <https://www.financial-ombudsman.org.uk/businesses/resolving-complaint/understanding-compensation/compensation-for-distress-or-inconvenience>) Looking at what happened here, taking account of our guidance, the evidence provided by both parties, and applying my own judgement, I consider that £150 compensation is fair for the inconvenience caused to T.

### **My final decision**

My final decision is that I uphold this complaint. I instruct TrustUK Payments Ltd to do the following:

- Refund T the £4,871.99 it was unable to recover from the missed payments which didn't automatically clear after 31 days as incorrectly advised.
- Pay T £150 compensation for the inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask T to accept or reject my decision before 20 January 2026.

Jenny Lomax  
**Ombudsman**