

The complaint

Ms C raised a complaint with TSB unhappy that it wouldn't provide her a refund of payments she reported that she didn't make from her account.

What happened

The background to this complaint is well-known and is set out within the investigator's findings which was sent to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

Ms C originally contacted TSB informing them that a large sum of money was missing from her account and she didn't recognise several transactions totalling £1,350 on her account. TSB declined to provide a refund as it was satisfied there wasn't any evidence that supported the transactions were fraudulent.

Ms C later responded to TSB informing them that she had been forced to make the payments by a gentleman that entered her property.

TSB continued to reject Ms C's claim. It was concerned that Ms C had provided a differing version of events when she first reported her claim, but nevertheless it didn't consider a refund was due and that the circumstances she faced was a matter for the police.

Unhappy with TSB, Ms C brought her complaint to this service. Our investigator also rejected Ms C's complaint. In summary he said that he considered the payments were authorised by Ms C and that he wasn't satisfied there was any other reason that TSB should have refunded her.

Ms C disagreed, and as an informal agreement couldn't be reached, the case has since been passed to me to decide.

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 firstly want to state that I don't underestimate the seriousness of the ordeal that Ms C faced. But that doesn't automatically mean that TSB ought to provide her with a refund. I'll explain further below.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time.

I appreciate that our investigator has gone into detail about why he considered the payments were authorised by Ms C. But having considered Ms C's testimony and submissions, and in particular what she later reported to TSB as well as her response to our investigator's

findings, it's clear that it is no longer in dispute that Ms C authorised the transactions in question. Under the relevant law – the Payment Services Regulations 2017 (PSRs) – the starting point is that Ms C is liable for payments she authorised. That remains the case even when they might have occurred in the circumstances she faced.

However, TSB is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I've reviewed Ms C's account statements and the payments she says were lost as a result of the incident that took place. Like our investigator I'm not satisfied TSB ought to have found the payments suspicious, such that it ought to have made enquiries of Ms C before processing them. Its records show that the payments were recognised as genuine activity on her account. That said, given the circumstances Ms C has described took place, even if I think TSB ought to have intervened in some way and provided a warning, I'm not persuaded this would have prevented her from going ahead with making the payments. Nor am I satisfied there was any way for TSB to have recovered the payments given the merchant that was paid.

Overall, I don't think TSB has treated Ms C unfairly when it made the decision not to reimburse her. I can't see any fair or reasonable grounds on which I could say that TSB should bear the responsibility of Ms C's loss.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 22 May 2026.

Mark O'Connor
Ombudsman