

complaint

Miss C complains that TSB Bank plc has wrongly returned unpaid a number of direct debits. She wants compensation.

background

Our adjudicator recommended that this complaint be upheld. Having checked with a number of Miss C's creditor's she found that there had been problems because direct debits were set up but then not paid by TSB. She found that Miss C would not have chosen to set up direct debits to then have to pay manually and re-set them up. She concluded that TSB must have played a part in the problem. She recommended that TSB pay £100 for distress and upset. Miss C felt that this was too little and TSB has failed to respond, so I am reviewing the complaint.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

In cases where the evidence is incomplete, inconclusive or contradictory, I reach my decision on a balance of probabilities- in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

Miss C has experienced problems with regard to direct debit payments set up with three different creditors. The creditors have confirmed that direct debits were set up some months before November 2015. TSB says that the direct debit originator is responsible for setting up the payment and registration process, before requesting the payment. TSB says payments have been requested prior to registration in November 2015, which is why they were not paid. TSB says that it is not at fault. It also says one creditor was using the incorrect sort code. It has already paid £20 as a gesture of goodwill, and a further £25 compensation for its delay in responding to Miss C's complaint.

I have seen that our adjudicator got in touch with the three creditors, and from information they supplied there appears to have been a similar pattern. TSB has said that no valid direct debit instruction had been set up, leading to direct debits being returned unpaid. Then a further direct debit has then been set up. Like our adjudicator I consider that it is probable that TSB has played a part in the direct debits not being paid. I come to this conclusion because the same issue has arisen with three different creditors. It seems to me that it would be highly unusual for each of them to have made the same error in setting up the payment and registering it. Clearly Miss C intended to pay these creditors by direct debit, and has been put to some distress and upset, initially whilst on holiday, because payments have not been made.

my final decision

My final decision is that TSB Bank plc should pay Miss C £100 compensation for distress and upset, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 26 May 2016.

Janine Allen
ombudsman