

complaint

Mr M complains that TSB Bank plc unfairly pursued him in relation to an account opened in his name through identity theft.

background

Mr M received communications from TSB and from a collections agent acting on its behalf, in relation to a debt on an account opened in his name.

Mr M says that he did not open the account and has been upset by receiving the communications. He also says that TSB did not act to stop the communications when he explained that he had been the victim of identity theft, and did not deal properly with his complaint.

TSB accepted that the account had been opened online by someone using Mr M's details. It also accepted that it should have acted earlier to put things right. It closed the account and arranged for the removal of any related credit information from Mr M's file, and sent him a cheque for a total of £500 in compensation.

Mr M did not feel that went far enough, and said he should receive compensation of around £2,500 for loss and distress caused to him and his family. As things were not settled, he pursued his complaint about TSB and one of our adjudicators investigated it.

From the evidence, the adjudicator agreed that TSB should have dealt with things sooner but felt that the payment of £500 it had already sent to Mr M was a fair settlement. So the adjudicator did not recommend that TSB should pay more.

Mr M did not agree and said, in summary:

- He strongly disagrees with the adjudicator's conclusions, which he believes are the result of intimidation by TSB. If TSB had offered a lesser amount, the adjudicator would have agreed with that.
- He registered his name with a fraud prevention database after he discovered what had happened, and told TSB that. Yet it still wrote to him about the account. He was bombarded with letters from a debt collector, which upset him and his family.
- His credit rating was destroyed, and the adverse registrations were there for many months.
- TSB stereotyped him and wrongly concluded that he was a fraudster. He is angry and upset.

my findings

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

Unfortunately, Mr M was targeted by a fraudster who used his personal details to apply for an account with TSB. Because the information the fraudster provided matched Mr M's genuine details, that application succeeded. The fraudster then ran up a debt on the account.

Once Mr M started receiving communications about the account, he told TSB that he had not opened it. TSB was not very responsive to that, and so communications from TSB (and from a collections agent it had appointed) continued to be sent to Mr M.

I consider that TSB should have accepted that the account was fraudulent, and taken steps to resolve the matter, sooner than it did. So, whilst I am not persuaded that TSB was to blame for Mr M being targeted by a fraudster or for the fraud being successful, I accept that it added to Mr M's trouble and upset by its delay.

TSB has apologised to Mr M. It has now closed the account and has amended Mr M's credit file to remove information about it. I have seen nothing to demonstrate that Mr M's credit standing has sustained any lasting damage.

In all the circumstances, I agree that TSB should pay Mr M compensation to reflect its contribution to the upset caused to him by the fraud. But I am not persuaded, by the evidence, that Mr M is entitled to receive £2,500.

Taking everything into account, I consider that the £500 already sent to Mr M is a fair settlement of this complaint and so I find that TSB does not have to pay him more than that.

my final decision

My final decision is that the £500 already sent to Mr M by TSB Bank plc is a fair settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 5 May 2016.

Jane Hingston
ombudsman