

## **complaint**

Mr J complains about the way in which TSB Bank Plc has dealt with a disputed transaction.

## **background**

Mr J disputes a transaction which took place on his account in March 2015. The debt took him further into his overdraft balance and after numerous failed attempts to contact him about this, TSB closed his account and his debt was passed on to a third party debt recovery company.

The first time TSB was made aware that the transaction was in dispute was when Mr J heard from the debt recovery company – around 12 months after the transaction had taken place. So, it looked into matters for Mr J – but told him it would not be refunding the money as the transaction was verified using Mr J's original card and his PIN. As such, the transaction was deemed to be authorised and Mr J liable for the debt.

Mr J then complained to this service. He maintained that the transaction was in dispute. He said he had never shared his card and PIN with anyone else. He said he had provided another bank card and PIN to a room-mate once – but it was unclear whether this person would have known that Mr J uses the same PIN for all of his accounts.

Mr J told our adjudicator that he was willing to pay off the debt if TSB was minded to remove the default from his record. He said the default was disproportionate in the circumstances.

TSB said it would not remove the default. It said it had been placed on Mr J's credit file correctly – and it reminded our adjudicator that the debt had arisen from a transaction which it deemed to be authorised. It (TSB) also advised that it had made a number of attempts to contact Mr J to discuss his account before it was closed. It had also written to him – and his statement would have shown the overdrawn balance due. Mr J had made no attempts to pay this amount at the time.

But Mr J disagreed – he said he was being punished by TSB and wanted an ombudsman to review his 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.

On first sight, it seems easy to understand Mr J's frustration. A default marker on his credit file is clearly problematic – and according to Mr J's submissions, is in relation to a debt that he knew nothing about. So, I can see why he feels it would be fair for it to be removed.

But I need to take two important issues into consideration here. The first is that the original transaction was made using Mr J's genuine card and PIN and the second is that Mr J did not alert TSB to his concerns until the debt had been sold on – despite the numerous attempts TSB had made to make contact.

Mr J does not identify a point of compromise in relation to his card so I am satisfied to the required standard that the transaction in March 2015 was made by him or by someone he knows. So, it follows, that I think Mr J would have been aware of it at the time.

I am also satisfied that TSB made numerous attempts to contact Mr J and that despite this, Mr J made no effort to pay his debt.

So, with these additional findings, when I reconsider TSB's actions, I find that they are neither unfair nor unreasonable. In fact, TSB is obliged to accurately record how Mr J conducted his account. It has done this and I cannot fairly ask it to remove the default.

**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 27 February 2017.

Shazia Ahmed  
**ombudsman**