

## **The complaint**

Ms G is unhappy with several aspects of the service she received from TSB Bank plc surrounding her switching to TSB and then opening new accounts with them.

## **What happened**

To briefly summarise: Ms G completed a current account switch to TSB. About a week later, she applied for two savings accounts with TSB, but her applications were declined. Ms G wasn't happy about this, and she also wasn't happy with several other aspects of the service she received from TSB, including that they put a block on her current account. So, she raised a complaint.

TSB responded to Ms G and acknowledged that while they didn't agree with every point of complaint which Ms G had raised, there were aspects of the service she'd received from them that weren't of a reasonable standard. TSB apologised to Ms G for this and made a payment of £125 to her as compensation for any trouble and upset she may have incurred. Ms G wasn't satisfied with TSB's response, so she referred her complaint to this service.

One of our investigators looked at this complaint. But they felt the response TSB had issued to Ms G, including the apology and the payment of £125, already represented a fair outcome to what had happened. Ms G remained dissatisfied, so the matter was escalated to an ombudsman for a final decision.

## **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 note that Ms G has provided several detailed submissions to this service regarding her complaint. I'd like to thank Ms G for these submissions, and I hope she doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead, I've focussed on what I consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Ms G notes that I haven't addressed a specific point she's raised, it shouldn't be taken from this that I haven't considered that point – I can confirm that I've read and considered all the submissions provided by both Ms G and TSB. Rather, it should be taken that I have considered that point but that I don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

One of Ms G's complaint points is that she is unhappy that TSB declined her application for two new savings accounts. Having reviewed what happened, I can see that after Ms G completed her switch to TSB on 27 February 2023, she applied for two new savings a short time later, on 10 February 2023. These two new savings accounts were initially opened for Ms G, and she transferred a balance into one of them. However, on 15 February 2023, TSB completed a review of the new accounts and retrospectively declined Ms G's applications.

This led to the new accounts being closed, and the balance Ms G had transferred into one of those accounts being returned to her TSB current account.

In their response to Ms G's complaint, TSB explained that the two applications failed their secondary checks, and that it was for this reason the applications were declined. I can appreciate how that might be frustrating for Ms G. But ultimately, it's for TSB to decide whether an application does or does not meet the criteria that they require for it to be successful. And in this instance, on these occasions, Ms G's applications did not.

It can understand how Ms G might like more information about exactly why those two applications failed TSB's secondary checks. But the criteria that a bank uses when assessing applications is commercially sensitive, and so this service wouldn't reasonably expect TSB to provide Ms G with the more detailed information she might like in this regard.

However, I can confirm to Ms G that having reviewed TSB's explanation as to why they declined the two applications, I'm satisfied that TSB acted on a reasonable basis and in regard to information they obtained at that time, and that therefore they didn't act unfairly towards Ms G. I hope that Ms G finds some comfort in knowing that someone impartial has considered this matter with her interests and fair treatment in mind.

Ms G is also unhappy that not long after her savings account applications were declined, TSB placed a block on her current account. Again, I can understand Ms G's frustration in this regard. But like all banks, TSB have an obligation to ensure that money being received into their accounts is legitimate. And it was for these reasons that TSB blocked Ms G's account and requested information from her about some payments that had recently been received into her current account as they did. And in consideration of TSB's obligations in this regard, this doesn't seem unreasonable or unfair to me.

Ms G telephoned TSB to discuss the block on her account. But unfortunately, Ms G couldn't answer the security questions TSB asked of her, and that meant she failed TSB's security protocols and was required to visit a branch with her personal identification documents to confirm her identity. I've reviewed the security questions that Ms G was asked, and I'm satisfied that they weren't unreasonable and that they were relevant to her account.

It's not in dispute that having to visit a branch was inconvenient for Ms G, and it's evident from the several phone calls that she made to TSB before visiting branch that she was frustrated by being asked to do so. Unfortunately though, it can be the case that a degree of inconvenience may occasionally be required in certain circumstances, such as when an account holder hasn't been able to answer security questions to verify their account over the telephone. And for this reason, while I accept that Ms G was upset and inconvenienced by having to visit a TSB branch, I don't feel that this was unfair.

When Ms G visited branch, it was explained to her that TSB needed information about the payments she'd received into her current account. And when Ms G provided this information to TSB shortly afterwards, the blocks on her account were quickly lifted.

So, while I can appreciate how Ms G's account being blocked and the further complications that arose from her being unable to pass TSB's security protocols on the telephone was frustrating for her, I don't feel that TSB did anything wrong or acted unfairly in these regards. This is because I'm satisfied that it was fair for TSB to have blocked Ms G's account as they did, and that TSB then followed a reasonable process to allow the unblocking of the account, which was unfortunately lengthened by Ms G being unable to pass TSB's security protocols verbally.

Ms G is also upset that on several occasions, payments that she was scheduled from her

accounts were deleted without her consent. But it's my understanding that this took place in regard to the retrospective declining of Ms G's savings accounts applications and the later blocking of her current account. As such I don't feel that TSB did anything incorrect or unfair in this regard. And I haven't seen anything to suggest that TSB cancelled scheduled payments from Ms G's current account at a time when it wasn't blocked.

Ms G has explained that a member of TSB's staff told her that there were 14 account applications on record for her. But TSB have confirmed that this isn't the case, and that they only have record of the applications that Ms G has legitimately made. And in their response to Ms G's complaint, TSB offered to consider any evidence that Ms G might have of account applications recorded incorrectly. This might be evidenced by Ms G's credit file, if such duplicate or unauthorised applications were recorded on it. But it's my understanding Ms G hasn't provided any confirmation of these further applications to date.

TSB have accepted that some aspects of Ms G's complaint should be upheld. These include that while Ms G switched to TSB on 27 February 2023, she wasn't sent a debit card and PIN until 20 March 2023. TSB have also acknowledged that Ms G was given some conflicting information when she spoke with them about the matters that she was unhappy with. And TSB have apologised to Ms G for the poor service she received and have made a payment of £125 to her as compensation for any trouble and upset she may have incurred.

Matters of compensation can be subjective. But upon consideration I feel that the £125 that TSB have already paid to Ms G is a fair compensation amount, given the aspects of Ms G's complaint to which it relates. And I can confirm that this amount is commensurate with what I might have instructed TSB to pay to Ms G here, had they not already done so.

In arriving at this position, I've considered that the £125 compensation is only in consideration of some aspects of Ms G's complaint, as well as the impact of these specific events on Ms G. And I've also considered the general framework which this service uses when assessing compensation amounts, details of which can be found on this service's website. And having done so, I feel that £125 is a fair amount here.

All of which means that I won't be upholding several aspects of Ms G's complaint, as described above. Additionally, in regard to the aspects of Ms G's complaint which I do feel have merit, I'm satisfied that TSB have already fairly compensated Ms G for those aspects by making the £125 payment that they have. It follows therefore that I don't feel that TSB need to take any further or alternative action here beyond that which they've already taken, and so I won't be upholding this complaint. I hope that Ms G will understand, given what I've explained, why I've made the final decision that I have.

### **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 Ms G to accept or reject my decision before 25 December 2023.

Paul Cooper  
**Ombudsman**