

The complaint

Mr and Mrs W complain TSB Bank plc refused to make a transaction from their account.

As it was Mr W making the transaction and the complaint, I've referred mostly to him.

What happened

Mr W went to a branch of TSB in February 2023 and asked to withdraw £15,000 in cash. The branch asked Mr W some questions about the purpose of the transaction and also whether he could provide an invoice or evidence of the purchase he was intending to make. Mr W was unhappy with this questioning and didn't have any further evidence of the purchase he could provide so left the branch.

Mr W later attempted to transfer £20,000 using his online banking to another account in his name, so he could withdraw the cash elsewhere. TSB blocked this transaction and asked Mr W to get in touch with the bank, which he did. Again, TSB asked Mr W for more information about the purchase he said he was trying to make but Mr W didn't want to provide this so the transaction remained blocked and Mr W's online banking was also blocked. He was told he'd need to visit a branch to have the block removed.

Mr W didn't want to do this so he tried to arrange to switch his account to another bank. But says this was also blocked by TSB.

Mr W complained to TSB, saying he was unhappy they'd denied him access to his own money and they'd involved the Police unnecessarily, since he hadn't done anything wrong. TSB responded to Mr W's complaint. They said they had followed their process correctly, so they didn't think they'd made a mistake by refusing Mr W's transaction or by initiating the Banking Protocol and contacting the Police. Mr W wasn't happy with this response. He referred the complaint to our service.

An Investigator considered what had happened. He said, in summary, he didn't think TSB had acted unfairly by refusing to carry out the initial cash withdrawal, or later block the online payment and online banking service.

Mr W didn't agree. He felt strongly the bank had no right to have refused any of the transactions he tried to make – because it was his money and, he said, it should've been obvious to those in the branch that he and Mrs W were not vulnerable and were more than capable of spotting a scam. And that they had intimated he'd done something illegal by involving the Police.

As Mr W didn't agree, the complaint was passed to me to decide. I issued a provisional decision. My findings are set out again below and form part of this decision.

Provisional Findings

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

Mr W is unhappy TSB refused to allow his cash withdrawal of £15,000.

The terms and conditions of the account set out the circumstances in which TSB can refuse to carry out an instruction from their customer. This includes where TSB have concerns that the transaction might be fraudulent or to protect their customer or themselves from a crime.

TSB have provided a copy of their internal guidance to staff about large cash withdrawals. Based on what Mr W has told us about the questions he was asked, I'm satisfied TSB were following the correct process when asking Mr W about the circumstances of his withdrawal and in particular the purpose of it and whether he had an invoice or paperwork for the purchase he said he was planning to make.

Sadly, scams are very common and often involve people being asked to go to branch and withdraw large amounts of cash, in particular for a purchase of the type Mr W was making. It's also not unusual for customers to be told by the scammers not to tell bank staff what the money is for – as part of the scam itself – so I don't think TSB were being unfair or unreasonable in questioning Mr W about his payment or then being concerned that he was reluctant to provide information about what the money was for.

I do understand Mr W's strength of feeling about being questioned on what he intended to use his own money for. And we know now the transaction was genuine and Mr W wasn't being scammed. But, at the time, based on what TSB branch staff knew about the transaction, I don't think it was unreasonable that they had concerns given the amount involved, that it would've been quite an unusual transaction compared to Mr and Mrs W's usual account activity and that Mr W was unable to provide any documentary evidence related to the purchase.

Because TSB refused to allow the cash withdrawal in branch, Mr W attempted to move £20,000 to another bank account in his name using his online banking. So he could make the onward payment from there.

This transaction was blocked by TSB's fraud prevention measures and Mr W was asked to call the bank, which he did. I've listened to this call. Mr W did not want to tell TSB what the payment was for and TSB explained that if he didn't want to share that information, they wouldn't allow the payment to go through and the blocks would remain on his internet banking. This call continued for over half an hour during which TSB explained to Mr W the questions they were asking were to protect him and check the payment wasn't being made as part of a scam.

I'm satisfied TSB were following their own process by asking Mr W about this transaction. Mr W refused to answer most of TSB's questions and that was Mr W's choice. It's also very common in scams for people to be asked to transfer large sums of money online to other accounts in their own name before transferring them on elsewhere and, as with branch transactions, scammers often tell customers not to tell bank staff what the transaction is for. So again, I don't think it was unreasonable for TSB to ask more questions in relation to this transaction. And, as Mr W was reluctant to share information, I don't think it was unreasonable for them again to be concerned by this. At the end of the call, Mr W was told he'd need to go to branch to have the block removed but he said he was unwilling to do so, as he'd done nothing wrong.

As the transfer was stopped and he couldn't get the internet banking block removed over the phone, Mr W decided to switch the account to another bank. He says this was unsuccessful because of the block on the account. But TSB's records show the account switch was initiated on 10 February 2023 and the balance of the TSB account was transferred on

20 February 2023 – so within seven working days. So I haven't seen anything, beyond Mr W's assertion, that TSB delayed or prevented the account switch.

Mr W insists that it was he, not TSB, that involved the Police in the end. I can see from TSB's notes that they initiated the Banking Protocol following a call that took place on 18 February 2023. They told Mr W the Police would be in touch with him within 72 hours. It seems Mr W decided to contact the Police himself in the meantime and was able to speak to them the same day and call TSB back with the appropriate reference number and the online banking was unblocked. But I still don't think this means TSB acted unfairly by contacting the Police, given everything that had happened up to that point.

It's unfortunate that, on this occasion, processes designed to protect customers held up a genuine payment. Overall, I'm satisfied TSB were entitled in the circumstances to refuse to allow Mr W's cash withdrawal, and the later transfer, and I don't think they treated Mr and Mrs W unfairly by blocking internet access to the account in line with their process given their concerns.

Responses to my provisional decision

Mr W responded to say he didn't agree for reasons I've summarised below:

- TSB didn't question him when he paid the money into the account.
- He remained unhappy TSB questioned him at all and feels scams are being used as an excuse not to let people have their own money.
- He didn't want to attend the branch because it was a 25-mile round trip and as TSB blocked it remotely, Mr W felt they should be able to unblock it remotely.
- He maintained the Police had been involved because he'd complained to them TSB were withholding his money.
- He still felt TSB had blocked his account after the switch was initiated.
- My provisional decision had said TSB had blocked a genuine payment, so why wasn't compensation awarded.

TSB did not respond by the deadline.

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 set out in my provisional decision why I had found TSB hadn't treated Mr W unfairly by refusing the cash withdrawal, the attempted online transfer and then blocking his online banking. So, while I've considered what Mr W has said about this in his response, I still don't think compensation is warranted. I say this because although I accept TSB stopped a genuine payment on this occasion, I don't think TSB made an error by doing so for the reasons I've already explained.

It was Mr W's decision not to attend the branch. While it might have been possible for TSB to have unblocked the online banking remotely, they were asking Mr W to attend the branch for security reasons. Which I don't think was unreasonable in the circumstances.

In respect of the switch, TSB's notes show the block was put in place on 7 February 2023. And in any event, I don't think this makes a difference to the overall outcome of the complaint. This is because the switch still took place within seven working days, as it should've done.

While I know Mr and Mrs W won't agree, I remain satisfied TSB treated Mr and Mrs W fairly in all the circumstances.

My final decision

For the reasons I've explained, I don't uphold Mr and Mrs W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W and Mrs W to accept or reject my decision before 28 December 2023.

Eleanor Rippengale
Ombudsman