

The complaint

Mr M is unhappy that TSB Bank plc blocked his current account without warning.

What happened

Mr M noticed his TSB current account had been blocked. He telephoned TSB about this and was told his account had been blocked to prompt him to call TSB as they wanted to talk to him about arrears that had accrued on his Bounce Back Loan ("BBL"). Mr M wasn't happy that TSB had blocked his account without warning, especially as he'd been ill and was recovering mentally and physically from being mugged. So, he raised a complaint.

TSB responded to Mr M and explained that they had tried to contact him about the arrears on his BBL without success on several occasions, and so they didn't feel that they'd done anything wrong by encouraging Mr M to contact them by blocking his account. Mr M wasn't satisfied with TSB's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel TSB had acted unfairly in how they'd managed the situation and so didn't uphold the complaint. Mr M 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.

TSB have explained that Mr M had missed three payments on his BBL. Because of this, TSB were eager to speak with Mr M about these arrears as his BBL was approaching a position where TSB would consider Mr M to have not met his contractual repayment obligations on the BBL such that the loan might need to be defaulted.

In such circumstances, it's clearly understandable that TSB would want to speak with Mr M. And TSB have shown that they made several phone calls to Mr M which went unanswered and on which voicemail messages were left by TSB asking Mr M to contact them.

Mr M has said that he ignored TSB's calls as he was concerned that the calls might be from a scammer. I can understand Mr M's caution in this regard. But given that TSB left voicemail messages asking Mr M to contact them, it's difficult to understand why Mr M didn't respond to those messages and contact TSB himself.

Additionally, TSB have also demonstrated that they sent several emails to Mr M which also explained that his BBL was in arrears, and which asked Mr M to contact them. And, as the BBL account holder, it was Mr M's responsibility to have monitored the ongoing status of the account and to have been aware of missed payments – regardless of whether he was receiving notifications from TSB about these missed payments or not.

Mr M has explained that he had recently recovered from a serious illness and that he had also been mugged, from which he was physically and mentally recovering. I can only

sympathise with Mr M in this regard. But Mr M's contractual repayment obligations on the BBL remained in place during the period in question. Also, TSB can't provide assistance for events they aren't told about. And TSB have no record of being informed of Mr M's illness or his being mugged, until Mr M called them following their blocking his account.

Mr M has explained that he did inform TSB about what had happened to him by written letter. But TSB have no record of receiving any such letter from Mr M. And I feel that the ongoing stream of emails and telephone calls that Mr M was receiving from TSB after he sent his letter to TSB should reasonably have indicated to him that his letter might not have been received.

Ultimately, I don't feel TSB have done anything wrong or acted unfairly by blocking Mr M's current account as they did. This is because Mr M's BBL was close to being defaulted for non-payment. And I feel it was reasonable for TSB to want to speak with Mr M and give him the opportunity to recover the position of his BBL rather than just default the loan.

I'm also satisfied that TSB made repeated attempts to contact Mr M about his BBL arrears by various channels, which Mr M didn't respond to. And, while Mr M is unhappy that his account was blocked without warning, it's difficult to understand what warning TSB could have provided, given that Mr M wasn't responding to TSB's phone calls or correspondence.

Finally, because TSB hadn't been made aware of the difficult personal events Mr M had recently faced, they were unable to take these into consideration. It also must be noted that banks such as TSB aren't expected to allow arrears to continue to accrue on a loan indefinitely, even if the loan account holder has experienced personal difficulties. And this means that even if TSB had been informed about Mr M's illness and mugging before the BBL payments were missed, it's highly likely that they would still have felt obliged to default Mr M's BBL for non-payment, had further scheduled payments for the BBL been missed.

All of which means that I won't be upholding this complaint or instructing TSB to take any further action here. I realise this won't be the outcome Mr M was wanting, but I hope he'll understand, given all that 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 Mr M to accept or reject my decision before 20 December 2023.

Paul Cooper
Ombudsman