

The complaint

Mr H complains that TSB Bank plc (TSB) unfairly refused to transfer a large sum of money to an account he'd opened with another bank.

Mr H wants TSB to pay him £250 compensation.

What happened

Mr H visited a TSB branch to send a large sum of money to an account he'd recently opened with a different bank. The member of staff wouldn't go ahead with the transfer and instead suggested Mr H should make the payment online. This was after someone at TSB had told him that the only way to transfer the money in one go was to carry out the transaction in branch.

Mr H says he was surprised that TSB told him to make the transfer online for £25,000 after it had told him the recipient details weren't set up correctly.

Due to the size of the proposed transfer, Mr H had to make the payments over multiple days and one of the payments was referred for security checks.

Mr H was unhappy with the way he was treated in branch, finding staff intrusive, rude, and defensive. Mr H was also unhappy with the complaints handling process.

TSB initially offered Mr H £50 to apologise but after considering his complaint further decided there had been no error so withdrew the original offer.

The investigator didn't recommend that Mr H's complaint be upheld. He told Mr H that the member of staff in branch couldn't verify Mr H's new account using the confirmation of payment (COP) system. As TSB branch staff had concerns that the intended recipient account details may be incorrect, the investigator thought it was reasonable not to go ahead with the transfer in branch.

Mr H disagrees with the investigation outcome and is unhappy that we can't consider his concerns about TSB's complaints process because it's not a regulated financial activity.

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 realise that I've summarised Mr H's complaint in less detail than the parties and I've done so using my own words. The rules that govern this service allow me to do so. But this doesn't mean I've not considered everything that both parties have given to me.

In cases like this where the evidence is inconclusive or contradictory, I reach my decision based on the balance of probabilities. That means I'll look at all the available evidence and decide what I think is most likely to have happened.

I can understand that Mr H found some of TSB's questions intrusive and rude but banks need to carry out anti-money laundering checks. So, I don't consider it was unusual for TSB to ask questions about where the money Mr H proposed transferring had come from.

TSB says that it refused to carry out the transfer because it couldn't verify the beneficiary account details using the COP system. I can see this must have been frustrating for Mr H as he'd checked the process ahead of time and had brought identification documents and new account information to the branch. I can't be sure why the new account details weren't verified but I don't have any reason to dispute what TSB says. And I'm satisfied that TSB has the right to refuse to make payments from a customer's account in certain circumstances such as when it has concerns about the payment information.

I appreciate there is a difference in recollection over what was said in branch. Mr H says the member of staff told him to transfer £25,000 online. On the other hand, TSB says that a member of staff recommended that Mr H make a £1 payment to the new account to check that it had arrived.

It may have been the case that TSB told Mr H that he could transfer £25,000 online as this is the maximum limit allowed through mobile or internet banking. But I'm not persuaded that TSB told Mr H to transfer this amount without first carrying out the test payment of £1. Particularly as Mr H says himself that he carried out the test transfer shortly after leaving the branch.

It's unfortunate that having tried to carry out the money transfer using the telephone service, TSB held it up for fraud checks. But as I don't have reason to conclude that TSB made an error with this, it doesn't change the outcome of Mr H's complaint.

I'm sorry that Mr H didn't feel comfortable going back in branch to complete the rest of the money transfer so ended up splitting the payments over several days. But as I don't find TSB made a mistake when dealing with Mr H, it follows that I don't require it to compensate him for the extra time it took to complete the transfer of money to his new account.

Finally, I appreciate Mr H is unhappy about how TSB handled his complaint but the handling of complaints isn't itself a regulated activity. So, whilst I understand Mr H's concern that TSB didn't deal promptly with the complaint and didn't then address all the issues he raised, I haven't commented further on this point.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 15 August 2023.

Gemma Bowen
Ombudsman