

## **The complaint**

M, a limited company, complains that TSB Bank plc hasn't provided a reliable internet banking service, and this has caused it loss and inconvenience.

## **What happened**

The director of M explains that there have been problems since the account was opened. The registration for internet banking has been lost, the payment recipients have disappeared, and a new debit card was cancelled. There have been repeated systems outages which he's detailed and uncertainty about whether payments have gone through and what the correct account balance available is. M has received misleading letters.

TSB has apologised for what's happened. It had contacted its IT department about the issues. It said that it would recommend M used its mobile App. The card was cancelled due to human error. And it had provided feedback about a letter which was for new registrants. It said that *"it is clear that we are not meeting your expectations as a business bank"*. It paid M £250 in compensation. It noted that M had said that it had incurred significant losses and asked for evidence about these.

Our investigator didn't recommend that the complaint be upheld. He said that this complaint was by M and it couldn't suffer distress. He'd considered our published guidance about compensation. We wouldn't be covering time spent. He thought that £250 represented the inconvenience caused.

M didn't agree. It said that it was difficult to equate the amount offered to the time, effort and distress caused by TSB. The director was effectively the business here. This wasn't adequate redress in the face of unacceptable service. M had a further issue and it had seen on social media that other customers had experienced problems too.

## **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'm sorry to hear about the problems experienced by M. We provide informal dispute resolution and don't make punitive awards. And I can only look in this complaint at the impact on M which brings this complaint and the points up to the time of the final response from TSB.

M has detailed a number of instances when internet banking was simply not available. I don't doubt that was inconvenient. It wouldn't have been able to make payments then. But it's not shown that this caused any financial loss to the business. I would reasonably expect M to look to mitigate any problems in making time critical payments – for example using other methods. I also think that unfortunately over time M would also reasonably become aware of the level of service that TSB was able to provide and the impact of system outages. That's not to excuse those but it would be an indication of what to expect. I accept that having to re-register and set up recipients would involve administration and shouldn't have been

necessary. And that M received confusing correspondence.

We don't usually make awards for time spent and if we do this tends to be at modest rates. I've not been given any evidence that M had to turn work away or lost business. Legally M is structured as a separate entity to the director and a limited company can't suffer distress. So, I'm looking here at the inconvenience to M.

Our investigator has referred to our published guidance about compensation which I've taken into account. And I also apply my own judgement having considered everything that M has provided in coming to an overall view. I'm afraid having done so I find that TSB's response to the complaint was reasonable and I won't be requiring it to pay more than it has already.

### **My final decision**

My decision is that I do not uphold this complaint in the sense that TSB Bank plc need not take any further action.

Under the rules of the Financial Ombudsman Service, I'm required to ask M to accept or reject my decision before 11 March 2022.

Michael Crewe  
**Ombudsman**