

The complaint

Mrs N complains that although she sent TSB Bank plc copies of all the documents it wanted to see, so it wouldn't close her account, it still closed her account. Mrs N said she's spent months trying to make sure she still gets payments that were going into the closed account.

What happened

Mrs N said she'd had an account with TSB for about 40 years. TSB asked her for information and ID documentation, and it said if she didn't send these it would close the account. Mrs N said she'd done everything that TSB asked, and sent all the documentation through, but TSB just closed her account anyway. TSB also sent Mrs N a cheque for the money that had been in her account, which was in her maiden name, so she couldn't cash it.

Mrs N said she used to have a number of regular payments made into the now-closed account and it was taking her a very long time to change all of those. This created a lot of problems for her. She was very unhappy, and wanted us to look into what had gone wrong.

TSB said it had repeatedly tried to contact Mrs N, to obtain additional up to date information from her. It said that it wrote in October 2020, and rang on 27 October. TSB said it then wrote again on 3 November, but it said Mrs N didn't respond.

TSB told us it then took a decision to close Mrs N's account, on 11 January 2021, and it wrote to her giving her two months' notice of this. TSB said Mrs N contacted it on 15 January, and it wrote to her telling her how to supply documentation and avoid the closure of her account. But TSB said it didn't receive anything, so it went ahead with the account closure on 11 March.

TSB said it issued the money in Mrs N's account to her in a cheque. When she contacted it to say that the name on the cheque was wrong, TSB reissued the cheque to her. TSB didn't think it had done anything wrong.

At first, our investigator didn't think this complaint should be upheld. She said that TSB had repeatedly tried to contact Mrs N to get updated information and ID from her, and Mrs N hadn't responded, until after it had told her it was going to close her account. Our investigator also said TSB was offering to pay £50 for the inconvenience of sending a cheque in Mrs N's maiden name. Our investigator didn't think TSB had to do more than this.

Mrs N said that couldn't be right, because she had spoken to TSB after the account closure letter was issued, and it had told her to send specific documentation. She understood TSB might block or close her account if she didn't send these, but she had. Mrs N told us how she had supplied this documentation to TSB, and showed us the email she sent.

Our investigator raised this with TSB, and it said that the email Mrs N had shared with our service, which she'd previously sent to TSB, didn't include any clear scan of her passport and there was no proof of address. The photographs of Mrs N holding the items didn't show the documents clearly enough for them to be read or accepted as proof of her address and ID. So TSB said that, because it didn't receive clear copies of the documents it had

requested by the due date, it wasn't able to keep her account open.

Our investigator then changed her mind, and said TSB should pay a little more compensation. She said she now thought TSB should've contacted Mrs N when it received unclear images of her ID. She didn't think it was fair for TSB to go ahead and simply close Mrs N's account without doing that. But she said it was Mrs N's responsibility to keep her information up to date, so she didn't think TSB had to pay for issuing a cheque in Mrs N's maiden name when it hadn't been told about her change of name.

Our investigator said that TSB should pay Mrs N £150.

TSB accepted this, but Mrs N didn't. She said this was too low. Mrs N said she didn't get the correspondence TSB said it had sent in October or November, and as soon as she got the letter in January about account closure she responded.

TSB said Mrs N was welcome to apply for a new account with it, but it thought agreeing to pay £150 was generous, given that it decided to close her account because she hadn't responded to its letters and calls for several weeks. TSB also said Mrs N would have been able to see the documentation that she was sending, so she could have seen that these weren't clear.

Mrs N continued to dispute that TSB had made repeated efforts to contact her by phone, before it issued the January letter saying it would close her account. And she sent our service written confirmation of the conversation she'd had with TSB, in the form of a letter dated 15 January setting out what information TSB wanted to see in order to keep her account open.

Mrs N said she'd sent all of the requested information on 22nd January 2021 in the requested format via TSB's secure email address. So TSB had copies of what it needed, six days before its deadline.

Our investigator didn't change her mind. Mrs N wanted her complaint to be considered by an ombudsman, so it was passed to me for a final decision.

I then reached my provisional view in this case.

My provisional decision

I issued a provisional decision on this complaint and explained why I did propose to uphold it. This is what I said then:

TSB says Mrs N didn't respond to any of its attempts to contact her to update the information it held for her. So it gave her two months' notice that it was going to close her account.

Mrs N has sought to dispute whether TSB made efforts to contact her during this time. But I don't think that this is the key issue in this case. That's because what Mrs N is complaining about is that TSB closed her account although she'd sent it the documentation it required.

TSB says it can close an account if it wants to, if it gives two months notice. And it says it did that in its letter of 11 January. But I think that what is most important here, is what happened just after this, when Mrs N got in touch with TSB, and arranged to send the documents it wanted.

TSB wrote to Mrs N again on 15 January. This letter begins *“Please send us information needed to keep your account open.”* It sets out the information that TSB wants, and tells Mrs N how she can provide this. It then goes on to say *“This information you send us will help us meet our regulatory obligations and so that we can continue to offer our best service to you. We will review your account after 14 days if we have not heard from you. Please be aware that we may block or close your account if you do not send us this information.”*

I think that makes clear that TSB will take a fresh decision about whether to block or close Mrs N’s account, if it hasn’t heard from her within 14 days of that letter. And that, in turn, means TSB has withdrawn its previous notice to close Mrs N’s account.

We know that Mrs N did then send some documents to TSB, although TSB itself didn’t seem to appreciate that Mrs N had tried to comply with its request until our service told it this. But I don’t think it matters whether TSB had overlooked the documents Mrs N sent, or whether it had looked at those documents and decided they weren’t sufficiently clear. The key issue here is that TSB withdrew its notice to close Mrs N’s account, and then didn’t issue a fresh notice. So Mrs N hadn’t been told that TSB was still going to close her account.

That’s why I don’t think it was fair and reasonable when TSB then went ahead and closed Mrs N’s account on 11 March. I also note that, although Mrs N had sent TSB her marriage certificate along with the rest of the documents she provided, it then issued a cheque to her in her maiden name.

Mrs N has told us all about the type of payments that were being made into this account. She said it’s been very difficult to redirect these, and make sure she’s still receiving them all. She was apparently still working on this several months after the account was closed.

I do think it’s been very upsetting and disruptive for Mrs N to find that this account was closed without warning. And I do think it’s likely that rearranging things when she was suddenly without this account has taken a lot of time and effort. Because of that, I think TSB should pay Mrs N a little more compensation than our investigator suggested. I think it should pay Mrs N £350 now, for the distress and inconvenience that this complaint has caused her.

I invited the parties to make any final points, if they wanted, before issuing my final decision. TSB said it didn’t want to make any further comment. Mrs N hasn’t replied.

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.

Neither party has offered any further evidence or argument in response to my provisional decision, and I haven’t changed my mind. I’ll now make the decision I originally proposed.

My final decision

My final decision is that TSB Bank plc must pay Mrs N £350 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 30 August 2022.

Esther Absalom-Gough
Ombudsman