

## **The complaint**

Mr S is unhappy TSB Bank plc delayed his application for a personal loan as a result of incorrect information they held about him.

## **What happened**

On 25 March 2022, Mr S says he went to apply for a personal loan with TSB online. However, despite repeated attempts to complete the application, Mr S says it was refused. Instead, Mr S was prompted to call TSB to set up a telephone appointment for the loan which he says was initially cancelled and subsequently rearranged for the following day. Mr S says the phone appointment lasted two hours, even though he was told it wouldn't last more than an hour and that TSB's records were incorrectly recording the length of time he'd lived at his current address for – which was impacting the loan application being successful. Having repeatedly clarified the correct information, the loan was eventually approved.

Mr S says while there's not been any direct financial impact or loss, it shouldn't have taken the amount of time it did for the loan to be approved, given he's been a TSB customer for over 50 years and has previously taken out products with them without any issue. Mr S says he hasn't been given an explanation from TSB and has asked for TSB to clarify why they held incorrect information about the length of time he has lived at his current address for. Mr S has also said this error led to him having to commit so much of his time to be able to get an explanation from TSB.

TSB recognised Mr S was caused inconvenience in booking a successful telephone appointment with them and also recognised the inconvenience caused as a result of the first appointment being cancelled. So, they apologised and paid him £25 compensation in recognition of this. TSB say it's with regret that when they were attempting to submit Mr S' loan application, a business error kept appearing due to incorrect dates being recorded on their system against his current address. While TSB were able to rectify the issue, they say it took around two hours to finalise the application – the loan was then successfully taken out on the same day on 29 March 2022.

Our Investigator looked into Mr S' concerns. In summary, he said TSB weren't able to provide a reason as to why they held incorrect information about the time Mr S lived in his current address for. But he recognised Mr S was caused inconvenience by having to stay on the phone for two hours until the issue was fixed. Our Investigator said the overall experience Mr S went through wasn't good and because of this, he recommended TSB pay Mr S a further £50 compensation – so £75 in total.

TSB agreed to our Investigator's view. But Mr S didn't. In summary, he said he doesn't accept TSB have acted professionally or responded appropriately. Mr S also said that he didn't raise a complaint in order to attain any form of financial recompense, therefore, our Investigator's recommendation of a further £50 doesn't address the matter. And that he's never had to have a telephone appointment in any of the other products he has taken out with TSB. Mr S said when he called TSB on the day the online application wasn't successful, the advisor wasn't able to provide reasons as to why it was unsuccessful and instead, told him he had to set up a telephone appointment which could last up to one hour. Mr S also

reiterated the first appointment was cancelled which was inconvenient. Mr S said TSB haven't engaged with him in any way and their lack of response about his complaint has frustrated him. So, the complaint has been passed to me to decide.

I issued a provisional decision setting out the below:

*TSB assume Mr S was prompted to call them to carry out the loan application via phone due to their error of having Mr S has been residing at his current address since 1988 – which was incorrect.*

*Mr S has said he's not been asked to call TSB before when taking out products, so doesn't understand why he had to do so with this loan. TSB haven't been able to provide us with evidence of the instruction Mr S received where he was asked to call them following the unsuccessful online application for the loan. But TSB have said that where they need to speak to a customer about their application, they'll often arrange an appointment at one of their branches or by telephone – which seems to be what happened in Mr S' case. Mr S hasn't said previous applications for products were unsuccessful, so it seems likely the reason he was asked to call was because of the incorrect information. I don't think it was unreasonable of TSB to have asked Mr S to call, given the application had been unsuccessful. But I do appreciate that the instruction to call was likely due to incorrect information TSB held which was inconvenient for Mr S especially as he's been a longstanding customer of TSB.*

*Mr S has said he wants an explanation from TSB as to why they held the incorrect information about the length of time he's been at his current address for, which I don't find to be unreasonable. TSB have said they think it's likely the issue of the incorrect information was caused because of their banking systems being updated in April 2018, but they can't say for certain. Having listened to the call recording of Mr S' telephone appointment, the advisor explained to Mr S at the start of the call that he could see Mr S attempted to apply for the loan three times but was unsuccessful and that he needed to go through Mr S' income and expenditure for the loan with him – which could be another reason why Mr S was prompted to call in this instance. In any case, I think it's disappointing TSB haven't been able to provide us with a more conclusive explanation, I appreciate this is what Mr S wants. But in the absence of any other information, I've got no reason to not rely on the explanation TSB have given as it does seem plausible.*

*TSB have provided a screenshot showing the date Mr S has been residing at his current address to be from 2005, so it seems the information has since been corrected. Mr S has also complained about the poor service he received from TSB – in particular, Mr S says TSB haven't engaged with him, he had to rearrange the telephone appointment he originally had booked on 28 March 2022 to 29 March 2022 and that he was told the appointment could last up to one hour, when in fact, it took around two hours. I can appreciate the inconvenience caused to Mr S especially as he had to spend double the amount of time he was expecting to be on the call to be able to complete the loan application. Additionally, during the call, the advisor wasn't able to identify the reason for the loan application not going through which resulted in the call being prolonged. When the advisor said to Mr S that the system showed him residing at his current address since 1988, Mr S repeatedly told the advisor that this was wrong and that he has lived at his current address since 2005 and not since 1988. The advisor eventually rectifies this and explains the issue stopping the loan application going through was due to the incorrect address dates. But even then, I can appreciate this would have caused Mr S frustration.*

*Mr S has said unless banks and institutions are held to account, rather than trying to resolve things by simply making an offer of compensation, then they'll keep repeating themselves. I can appreciate Mr S' frustrations but our role isn't to punish a business for their mistake or*

*standard of service. Rather, it is the role of this service to ensure that a fair and reasonable outcome is reached, when considering the circumstances of the dispute. Mr S says he didn't raise a complaint for any financial recompense. But if a business has made a mistake or treated a customer unfairly, we have the power to tell a business to put things right. And there are a number of things we can tell a business to do such as paying compensation to recognise the impact of what went wrong, which I think is fair in the circumstances of this complaint.*

*Overall, in addition to the inconvenience caused to Mr S as a result of the incorrect information given about the telephone appointment which TSB paid him £25 compensation for, I think Mr S was further inconvenienced – as TSB have acknowledged they held incorrect information about the length of time Mr S has resided at his current address due to a system update that happened in April 2018, which I think came as a surprise to Mr S. Also, I think it was inconvenient and frustrating for Mr S to be on the phone for an hour longer than he was told the telephone appointment would last. With this in mind, I agree with our Investigator and I currently think TSB should pay Mr S a further £50 compensation in recognition of the inconvenience and frustration caused.*

TSB responded and said they agree with my provisional decision. Mr S also responded and acknowledged receipt of my provisional decision. Mr S asked if the matter required him to confirm that he's now satisfied with the decision and our Investigator responded to say Mr S would be required to confirm if he agreed with my provisional decision. But I couldn't see a response to our Investigator's email.

### **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.

In the absence of any other further comments or information for me to consider, I see no reason to depart from my provisional decision. For clarity, I think TSB should pay Mr S a further £50 compensation in recognition of the inconvenience and frustration caused.

### **My final decision**

I uphold this complaint and I require TSB Bank plc to pay Mr S a further £50 compensation, bringing the total compensation to £75.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 27 February 2023.

Leanne McEvoy  
**Ombudsman**