

The complaint

Mr M complains that TSB Bank plc ("TSB") gave a third-party ("TP") information about his account without his authority.

What happened

Mr M held an account jointly with another party ("JP") with TSB. The JP died on 1 March and Mr M informed TSB of the death and it removed the name from the account. The day after this on 15 March the JP's next of kin ("TP") - who was the named informant on the JP's death certificate - requested statements for the account. TSB failed to notice that the account had been transferred into Mr M's sole name and provided the statements including statements for the period after JP's death when the account had been transferred into Mr M's sole name.

Mr M complained to TSB about the release of this information. He says this has resulted in a family dispute with him receiving death threats and has damaged his reputation.

TSB say that as the account would have formed part of the estate of the JP the executor would have the right to view the statements up until the date of death anyway. But TSB accepted that it had made an error in disclosing details of the account to the TP which it shouldn't have - including transactions that occurred after the JP's death - and that it wasn't able to see that the correct forms had been completed for the registration of the JP's death. TSB apologised and offered compensation of £200 for the distress and inconvenience caused.

Mr M was dis-satisfied with this and brought his complaint to this service. TSB increased its offer of compensation to £500. Mr M still wasn't willing to accept this, he says as a result of TSB's disclosure he has received death threats from his family and his mental health has been affected and is looking for compensation of between £5,000 to £7,500. One of our investigators looked into the Mr M's concerns and reached the conclusion that it's likely the TP would've had access to the information on the account in an Executor role but recognised that Mr M has suffered due to the disclosure and thought that TSB should increase its offer of compensation to £1,000.

Mr M believes the distress he has suffered warrants more compensation than this. TSB thought £1,000 was excessive but accepted this recommendation in order to resolve the matter.

So the complaint was progressed for an ombudsman's 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.

I hope that the Mr M won't take it as a discourtesy that I've condensed the complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on

what I consider to be the outstanding matters in their complaint. Our rules allow me to do that. And the crux of Mr M's complaint is that TSB wrongly disclosed details of his account to TP which has negatively impacted his relationship with his family and his mental health.

It might help if I explain that my role is to look at the problems the Mr M has experienced and see if TSB has done anything wrong or made a mistake. If it has, I would seek – if possible - to put Mr M back in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable if I consider it warranted. My role isn't to punish or penalise businesses for its performance or behaviour – that's the role of the regulator, in this case the Financial Conduct Authority.

TSB accept that it made an error in providing the TP with information regarding the transactions post the JP's death. So all I need to consider here is whether the compensation of £1,000 offered is a fair way to settle Mr M's complaint. And I think it is. Indeed, I think this is at the higher end of what I would consider a fair and reasonable offer as I'm not persuaded the outcome would've been much different had TSB not disclosed the information it did.

TSB have explained that some of the information disclosed – including account balances and transactions up to the date of the JP's death - the TP would've been entitled to anyway as they were the JP's next of kin, named on the death certificate and the executor. Mr M disputes that the TP was the executor, but even if they weren't the executor, my understanding is they were part of a class of people (including Mr M) who would've been entitled to apply to administer the estate and therefore were entitled to this information.

TSB have also shown us transactions from the account that Mr M had already removed most of the funds (around 80%) from the account the day before the JP the died and that this would've been seen on the statements - information which I believe the TP was likely entitled to. So regardless of TSB's error the TP would've still found out that the majority of account funds had been withdrawn from the account and the remaining transferred over to Mr M the surviving account holder – which I believe is the reason for the family dispute and for all the distress caused.

So while I agree that Mr M has been negatively impacted from the TP having access to this information – I think it is likely this would've been the result regardless of TSB's mistake.

So on this basis I think Mr M should accept the compensation of £1,000 already offered as I am not persuaded anymore compensation is warranted.

My final decision

For the reasons I've explained I've decided that the compensation of £1,000 that TSB Bank plc has agreed to pay Mr M is fair way to settle the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 26 October 2023.

Caroline Davies
Ombudsman