

The complaint

Mr H's complaint about TSB Bank plc (TSB) relates to the destruction of certain documentation he sent to the solicitors appointed to act on his behalf.

What happened

In August 2021 Mr H wanted to re-mortgage his property and chose to use TSB's free legal service. TSB use a conveyancing panel management company (LMS) who allocate cases to solicitors' practices on their panel. In Mr H's case that firm was M&M.

At the material time, Mr H's property was not registered at The Land Registry of Scotland (Land Registry), and so he was asked, and in fact did, send a variety of legal documents (title deeds) to M&M. In so doing he asked that they were ultimately returned to him or to his own solicitor.

On receipt of the title deeds, M&M made a digital copy in preparation for registration, but then mistakenly shredded the originals. The re-mortgage did not proceed, and it was when Mr H asked for his title deeds back that he learned of their destruction.

TSB contacted LMS who in turn investigated the complaint. LMS concluded that Mr H shouldn't incur any additional costs when the time came for the property to be registered. Additionally, LMS offered Mr H £50 for the inconvenience it had caused him through its appointed panel solicitor M&M.

Mr H was unhappy with TSB's final response and contended that TSB should pay for the cost of registering his property with the Land Registry so that in future he would face no problems. He also felt he should receive compensation from TSB. Mr H approached this service to see if we could assist in resolving the dispute and our investigator looked into it but concluded that TSB hadn't done anything wrong and had dealt with the complaint fairly.

Mr H didn't agree and asked for the complaint to be passed to an Ombudsman for a final 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.

My summary of what happened is brief and I know the parties went into a lot more detail. I'm going to focus on what I think are the key issues. Our rules allow me to do this, and it reflects the nature of our service as an informal alternative to the courts. So, if there's something I've not mentioned, it isn't because I've ignored it, it's because I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

M&M have accepted that it made a mistake when it shredded the title deeds. The destruction of the title deeds did not come about as a result of any policy, guidance or instruction provided or issued by TSB. The fault lays entirely with M&M. I have no powers to make any findings or make any award against M&M, since it is a firm of solicitors and not a financial products or services business. Should Mr H wish to pursue a complaint against M&M he should approach their governing body who will be in a position to make findings upon the adequacy of the legal service provided.

Similarly, a complaint against LMS would need to be addressed to the organisation which governs them, since they are also not a financial products or services business and thus I cannot make any findings or award against them.

That said I do recognise that there are contractual arrangements which exist between TSB and LMS, and also LMS and M&M. But my role is to consider whether TSB have acted fairly and reasonably in so far as its dealings with Mr H are concerned, and it is clear that it had no direct involvement in the destruction of the title deeds.

Having received a complaint about LMS, TSB acted fairly by referring it to LMS for them to undertake an investigation, since it was their appointed panel firm, M&M, who shredded the title deeds. An investigation was carried out with the conclusion being in Mr H's favour, save for the level of compensation offered. I cannot make any findings over the adequacy of the compensation offered or the investigation, since it is outside of my remit.

So, although Mr H will probably be disappointed with my decision, I can't say TSB has acted unfairly or unreasonably here since it was not the cause of the destruction of the title deeds, and when it received Mr H's complaint it dealt with it appropriately. I'm therefore not upholding this complaint.

My final decision

For the reasons set out above I do not uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 28 November 2023.

Jonathan Willis
Ombudsman