

## **The complaint**

Mr S complains of a problem with a direct debit (DD) when he switched accounts to TSB Bank plc and of not being able to cancel a DD on his app. He further complains of a staff member making inappropriate comments when he called, the interest rates on savings pots and not receiving a paying in book.

## **What happened**

Mr S switched his account to TSB in March 2023. However he found that one of his DDs (to a credit card) was marked "direct debit rej". As he was concerned that this meant that the DD had been rejected, he made a manual payment which entailed him having to travel to a branch of the relevant bank to do it. I understand that the DD was paid, so he made a double payment. He then called TSB, who advised that the DD been to set up correctly. It nevertheless accepted that Mr S would have been concerned and agreed to pay him £40 compensation.

Subsequently when Mr S called TSB again, he heard an adviser making inappropriate comments, not realising that Mr S's call had been connected. When he complained to TSB, it agreed to pay him a further £100 compensation. But it wouldn't agree to provide the recording of the call and said at that stage it couldn't identify the staff member concerned. It later agreed to pay his travel expenses of £11 and increased the overall compensation figure to £201 (including the travel expenses). Mr S asked TSB to break down its figure between his complaints and to provide details of its awards guidance.

TSB suggested that Mr S cancel the DD, and reinstate it, but he found he couldn't do this on his app. Although he was able to do it through TSB's website.

Mr S transferred money into 5 TSB "savings pots". However he found that one of the pots was paying a higher rate of interest than the other four which he thought was unfair.

Finally he ordered a paying in book when he first switched his account, He only received it six months after requesting it.

TSB couldn't explain why Mr S couldn't cancel his DDs using the app but suggested that he liaise with its Internet banking team. As regards the savings pots the reason for the different interest rates is because he took out the first one several months before he took out the other four. Its rates are available on its website. It wouldn't break down its award but indicated that it followed guidance provided by the FCA (Financial Conduct Authority) and by this service.

Upon Mr S referring his complaints to the Financial Ombudsman Service, TSB offered to increase the compensation by a further £100. It said that the staff member involved in the inappropriate call had now been identified and the matter escalated to managers.

Our Investigator thought that TSB had made an appropriate offer, so wouldn't ask it to do anything more.

Mr S didn't agree. He advised that he had now switched his account to another bank and that there were no problems with the direct debit.

The matter has been passed to me for an Ombudsman's investigation.

### **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.

#### *the DD*

I can understand if Mr S was concerned when he saw that his DD was marked "direct debit rej". As rej could clearly be taken to mean "rejected". Whilst TSB couldn't find that it was an error on its part, it nevertheless agreed to pay Mr S compensation. I have listened to the call where Mr S made his complaint about this. I think the adviser was very helpful and sympathetic. I can't explain why the DD was marked like that, as it was paid. I am nevertheless persuaded that it didn't mean it was rejected. And as both TSB and Mr S's credit card provider say they weren't at fault, and Mr S no longer banks for TSB, I don't think it's appropriate for it to take any further action.

#### *inappropriate call*

Mr S made a call to TSB and was connected. He could hear a member of staff talking to others making what appeared to be rude and inappropriate comments. It's clear that the staff member concerned didn't realise they could be heard. Whilst agreeing fully that this was inappropriate, when considering the impact on him, the remarks were not directed at Mr S. However I do think that TSB could have advised Mr S sooner that it had identified the staff member. It has paid him compensation and I think, for Mr S, that was the appropriate action to take. Whilst Mr S wants the staff member to be identified to him and to receive a copy of the call I don't think that's appropriate. Whilst we have powers to make businesses pay compensation or take action, I don't think it would be fair to make TSB identify the individual. In cases like this I think it's right that the managers concerned deal with the matter internally.

#### *savings pots*

Mr S's complaint is that he put his money into five savings pots with TSB. But that the first savings pot had a higher rate of interest than the other four. This isn't a case of TSB failing to disclose interest rates, as the rates are clearly available on its website. I note that Mr S put money into the first savings pot in March 2023 and then into the other four in May 2023, which accounts for the difference in interest rates. I don't think TSB did anything wrong here.

#### *the app*

Mr S says he wasn't able to cancel his DD on his app. TSB has been unable to identify any problem but suggested that Mr S liaise with its internet banking team. As Mr S was able to cancel via TSB's website, I think he had suitable access to an alternative. And again as he no longer banks with TSB there doesn't appear to be any further action it could take.

#### *paying in book*

Mr S says it took six months for the paying in book to be received. I could see however that the paying in book was ordered in March 2023 and he didn't complain about this until he contacted this service. So I think it's likely that TSB sent it. I note that he complains that he hasn't been compensated for this.

### *compensation*

If TSB was following our guidance on compensation awards, our Investigator has sent Mr S a link to the guidance on our website. So Mr S will be aware that there isn't a scale of awards. And that each case must be considered on its own merits. We encourage businesses to look at matters holistically and this means in this case that TSB recognised, in respect of Mr S's whole customer contact with it, that its service had fallen short of expectations. So, as I don't think that TSB apportioned the compensation to various parts of Mr S's complaint, it wouldn't be appropriate to ask it to break it down. Looking at the matter overall, I've noted that TSB has paid Mr S £201 (including £11 travelling expenses). It has proposed to increase that by a further £100 and I think that is an appropriate offer in all the circumstances of this case. That includes the issue of the paying in book.

### **My final decision**

TSB has already made an offer to pay a further £100 to settle the complaint and I think this offer is fair in all the circumstances.

So my decision is that TSB Bank plc should pay £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 6 March 2024.

Ray Lawley  
**Ombudsman**