

The complaint

Mrs R and Mr R are unhappy that TSB Bank plc considered them to owe £40 on an outstanding balance which they felt that had paid off in full.

What happened

To briefly summarise: TSB transferred an outstanding balance owed by Mrs R and Mr R to a debt recovery agency (DRA). Mrs R and Mr R then made payments to the DRA to clear the debt in full. But TSB still considered them to owe £40 and wrote to them chasing this amount. And TSB didn't accept Mrs R and Mr R's explanation that no such balance was owed. Mrs R and Mr R weren't happy about this, so they raised a complaint.

Mrs R and Mr R didn't receive any response from TSB regarding their complaint, and so they referred their complaint to this service. One of our investigators liaised with Mrs R and Mr R, and with TSB. At this time, TSB explained that their records showed that £40 of the debt was still outstanding. However, they acknowledged that there had been some confusion and that this had meant that Mrs R and Mr R had incurred some trouble and upset they reasonably shouldn't have.

Because of this, TSB agreed to write off the outstanding £40 and to amend their credit reporting for Mrs R and Mr R to show that the amount had been paid as Mrs R and Mr R maintained. TSB also offered to make a payment of £100 to Mrs R and Mr R as compensation for the trouble and upset they'd incurred.

Our investigator felt that TSB's actions and offer of compensation represented a fair outcome to this complaint. However, Mrs R and Mr R remained dissatisfied with TSB and wanted TSB to acknowledge that the £40 had never been outstanding as they'd claimed. So, the matter was escalated 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.

Having done so, I feel that the actions that TSB have already taken here – writing off the £40, the credit file amendments, and the offer of £100 compensation – already represents a fair outcome to this complaint. And I therefore won't be instructing TSB to take any further or alternative action beyond this.

It's clear that Mrs R and Mr R and TSB have a difference of opinion as to whether Mrs R and Mr R did owe £40 or not. And I'm aware that Mrs R and Mr R want TSB to acknowledge that the £40 wasn't outstanding as they had claimed and to consequently acknowledge that the £40 wasn't written off as TSB maintain, because it wasn't outstanding to be written off.

But the remit of this service is focussed on fair outcomes. And the outcome here is that TSB no longer consider Mrs R and Mr R to owe £40 and have amended their credit files to show that the £40 wasn't outstanding. This feels fair to me, and I'm satisfied that there is no further

corrective action that TSB should reasonably be asked to take. And it isn't within the remit of this service to consider instructing TSB issue the type of acknowledgement that Mrs R and Mr R would like here.

Additionally, I also feel that the offer of £100 that TSB have made to Mrs R and Mr R as compensation for the trouble and upset they've incurred is a fair and reasonable offer. And I can confirm that it's commensurate with what I might have instructed TSB to have paid to Mrs R and Mr R, had they not already offered to do so.

In taking this position I've considered the events that took place and the impact of them on Mrs R and Mr R. And I've also considered the general framework which this service uses when assessing compensation amounts – details of which are on this services website.

All of which means that while I will be upholding this complaint in Mrs R and Mr R's favour, I'll be doing so only to instruct TSB to make the £100 compensation payment to Mrs R and Mr R that they've already offered to make – if that payment hasn't been made to Mrs R and Mr R already – should Mrs R and Mr R formally accept this final decision. And I won't be instructing TSB to take any further action beyond this.

I realise this might not be the outcome Mrs R and Mr R were wanting. But I hope they'll understand, given what I've explained, why I've made the final decision that I have.

Putting things right

TSB must make a payment of £100 to Mrs R and Mr R – if they haven't done so already.

My final decision

My final decision is that I uphold this complaint against TSB Bank plc on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R and Mr R to accept or reject my decision before 8 March 2024.

Paul Cooper
Ombudsman