

## **The complaint**

Mr S complains about the consequences he suffered as a result of TSB Bank plc (TSB) declining two cheques that he issued.

## **What happened**

In January 2023, Mr S wanted to open an executor account to enable him to look after and distribute the proceeds of his late father's estate. TSB said they didn't provide executor accounts, but he could open what they called a 'spend and save' account which would meet his requirements. Mr S went ahead and successfully opened the account.

In December 2023, Mr S issued ten cheques to the beneficiaries of the estate and the first two to be presented to TSB for payment were for £36,000 and £5,000. TSB wanted more information about the cheques before they agreed to pay them so attempted contact with Mr S by telephone but left no voicemail message. As Mr S missed the call, he called the number back which was answered by someone who said it was TSB, but Mr S considered it a scam and ended the call. Both cheques were subsequently declined that day but put back through the cheque clearing system to be represented at a later date.

The next day, a payee of one of the cheques contacted Mr S asking why, so Mr S tried calling his local branch. When a third cheque was presented for payment that day, TSB contacted Mr S again by telephone and this time were successful in their attempts to verify that cheque and confirm its validity. As Mr S was not successful in contacting his local branch, he travelled there to query the declined cheques and explain the nature of the cheques he had issued. This information was taken down and passed on to the relevant TSB department.

Mr S then received letters from TSB advising the cheques of £36,000 and £5,000 had been declined and had been represented again through the cheque clearance system. As a result, he decided to make the two payments by another method and the funds were successfully credited. Unhappy with what happened to him, Mr S complained to TSB. He said the cheque rejections had caused him significant stress and embarrassment, along with inconvenience.

TSB investigated the complaint and apologised for the poor experience Mr S had, due to their lack of communication; this included not leaving a voicemail message. They did explain that they sometimes need to carry out security checks but agreed the cheques should have been processed as expected. They enclosed a cheque of £77 which comprised £75 compensation and £2 for expenses.

Remaining unhappy, Mr S brought the complaint to our service and mentioned the cheque declines had caused a family rift including him being accused of fraud by family member. Therefore, an investigator looked into the complaint. They said TSB had dealt with the complaint fairly and wouldn't be asking them to do any more. In terms of the compensation, the investigator explained that under our complaint handling rules, we cannot make an award to the estate of a deceased customer for any trouble or upset caused, so they could not review the figure.

Mr S responded challenging the assertion that the bank account held with TSB was in the name of the estate, and that it was not an executor account, but it was in fact a personal account in Mr S's name. After checking details, our investigator amended the way they had set up the case amending the complainant to Mr S. This meant that our service *could* consider the impact of the complaint on Mr S.

After review, our investigator said their view had changed and they didn't think TSB had dealt with the complaint fairly, mainly in terms of compensation. They recommended that TSB pay Mr S an additional £100 as they didn't think the initial £75 compensation reflected the impact of what happened.

Mr S responded to our investigator saying that he didn't regard the £175 as fair compensation and that the impact is worth far more. He reiterated how TSB had destroyed a family relationship and caused embarrassment and significant stress alongside time and effort expended.

Our investigator disagreed and consequently, Mr S requested an ombudsman review his complaint.

### **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 have looked at the information TSB has supplied to see if it has acted within its terms and conditions and to see if it has treated Mr S fairly.

It is always regrettable when we see a relatively simple process like issuing cheques result in a poor experience and I sympathise with Mr S for the frustration he experienced. It's our role to identify if a business has made a mistake and if so, look at the impact this has had on the consumer.

In terms of the errors made, I'm glad to see that TSB have apologised for them, reassuring Mr S that feedback has been taken on board.

I wanted to address the voicemail issue as I know Mr S has said that if a short message had been left, he would not have experienced the issues he did i.e., as it was left on the day that the decisions were made about the two cheques, their return may have been avoided. However, I also acknowledge TSB's comments in that any message they may have left would have, in reality been very brief for security reasons. And, even if some limited information had been left, there would not have been enough so that Mr S would have known why TSB were calling.

Mr S did call back in response to the voicemail, but overarching this is his decision to treat that call as a scam and end it, rather than attempting to continue with it, especially in view of the large quantity of cheques he had recently issued. Another option Mr S had if he feared a scam, was to end the call then look up a telephone number for TSB from a source he trusts, then call them. Had he done that, they would have talked him through the cheque issues and likely paid them.

So whilst I empathise with the impact of the returned cheques, TSB couldn't obtain all the information they needed on the day to authorise the payments, despite efforts made to contact Mr S, and speaking with him.

TSB only had all the information they needed on the day after the cheques had been declined, after Mr S visited a branch and spoke to them by telephone. Therefore, the call that Mr S made to TSB is a more significant aspect of the complaint than the voicemail, and I've addressed that above.

I also wanted to point out that as TSB had the requisite information the day after the decline, as the cheques were put through the cheque clearing system a second time, they would have been processed as expected.

Within a phone call I listened to, Mr S was unhappy that from all the cheques he issued, TSB 'choose' to decline the two that they did. But as I can see that the two cheques in question were the first two presented for payment, this is the reason they were declined rather than any choice made.

Since the complaint has been with our service, and we've been able to address the impact on Mr S, the dispute has been about the compensation which Mr S considers should be much higher than has been offered. This is based on the impact of what happened, which Mr S has told TSB and this service to be a significant family issue and embarrassment.

Looking at TSB's errors in this complaint, they are limited to not leaving a voicemail message, and as they put it from their final response letter 'the cheques should have been processed as you expected because you had contacted us to confirm the details'. However, as I explained earlier, Mr S didn't confirm the details that TSB required for the cheques of £36,000 and £5,000 until the day after they were declined so I can't agree that TSB made this error. And in terms of the voicemail, it's far from certain whether the leaving of any brief details by TSB would have materially affected the outcome, in view of the fact that Mr S returned the call.

With all of the above factors considered, I find that the amended offer of a total of £175 compensation is fair and reasonable in the circumstances. I believe this higher figure is warranted mainly due to the uncertainty that TSB caused. I know Mr S will be unhappy with my decision but it's vital that I look at the case using the facts, and compensation through the lenses of fairness and reasonability.

Finally, in terms of the family situation that Mr S found himself in, I'm sorry to hear he experienced this. But I would say that that Mr S's comments about the breakdown of family relations due to accusations of fraud should not have extended beyond the successful replacement payments that were made a matter of days after.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is upheld and I require TSB Bank plc to pay Mr S an additional £100 compensation, bringing its total payment to Mr S to £177.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 22 May 2024.

Chris Blamires  
**Ombudsman**