

The complaint

Ms H complains that TSB Bank plc have provided her with poor customer service after she switched her current account to a third party company.

What happened

Ms H says that she phoned TSB regarding switching her account. She says that she asked if her account could stay open and she says she asked if her savings account would stay open and she says she was told yes, but this didn't happen. She says that the switch completed, but she was unable to access her savings account. Ms H says the application (app) was still working but she couldn't use it, so she called TSB numerous times to ask how she could get access to her savings account, but nobody could help her, and call backs were promised, but no call backs were ever made.

Ms H says that suddenly she could no longer access her TSB app or her savings account. She says she used to transfer money from her savings account to her current account via the app, but she was no longer able to do this, so she needed to contact TSB again. She says she was told to travel to the nearest branch (which was an hour away) and that they may be able to give her the money in the savings account, but as she was no longer a customer they may not help. She says she asked how she was supposed to get access to her savings, and she says she was told they didn't really know.

Ms H says she was eventually put through to someone who said they might be able to send her a cheque, but only if she agreed not to make a complaint. A cheque was received ten days later, which took another ten days to clear. Ms H made a complaint to TSB.

TSB did not uphold Ms H's complaint. They said when a current account is switched, the old account will be closed, and cards will also be cancelled. They said the reason why she was still able to use online banking is because she had an open savings account with TSB, but this isn't included as part of the switch as only current accounts are included. Ms H brought her complaint to our service.

Our investigator partially upheld Ms H's complaint. He said there was no evidence in the call recordings held by TSB that one of the call handlers told Ms H that the account would remain open following the switch, but it is possible the third party bank she switched to may have contributed to the confusion surrounding the savings account.

He said had the information about how Ms H could access her savings been made clear in the switching letter, then it's likely she would have called TSB immediately, and made alternative arrangements and potentially delayed the switch until she had managed to remove the funds she needed from the savings account.

Both parties asked for an ombudsman to review the complaint. Ms H said a minimum of £750 compensation would be acceptable, and she said the compensation our investigator suggested wouldn't equate to the minimum wage based on the time she had spent on this complaint. TSB said there was no bank error, so no compensation should be awarded.

As my findings differed in some respects from our investigator's, I issued a provisional decision to give both parties the opportunity to consider things further. This is set out below:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Ms H has made a number of points to this service, and I've considered and read everything she's said and sent us. But, in line with this service's role as a quick and informal body I'll be focusing on the crux of her complaint in deciding what's fair and reasonable here.

I must make Ms H aware that I'm only able to focus on the actions of TSB as part of this complaint. If she has been told incorrect information from the bank she switched to, she may wish to raise a complaint directly with them.

I've considered what Ms H has said about being told that her bank account would stay open by TSB. I've requested a copy of the call recordings that TSB have been able to locate with the information Ms H has given.

I've listened to a call Ms H made with TSB on 26 July 2023. Although at the end of the call Ms H says she will be transferring her account to another bank, she doesn't ask if the account will stay open, and the call handler doesn't say this either. Ms H makes a call to TSB on the following day, but there is no mention of her switching accounts on this call. TSB can't locate any other call recordings before the switch completed. So I'm unable to conclude that TSB told Ms H that the current account would stay open after a switch. I can see that TSB acted on the third party banks instructions to TSB to complete a full switch of the account over to them. This results in the TSB account being closed.

I've then considered what happened after the account was switched. Ms H rang TSB on 12 August 2023. Ms H tells the call handler she was trying to use her card for a transaction, but it won't authorise. Ms H also tells the call handler the app won't allow her to put any money from her savings account to her new external bank account. The call handler confirms that this is because she has switched the account and gave her options of how she could get money from the savings account, such as cash withdrawals, or closing the account and getting a cheque sent to her.

The call handler placed Ms H on hold to see if they had any other options, but when he returned he confirmed the options of her withdrawing cash, or they could close it by a cheque. Ms H asked how much could be withdrawn at a cash machine and the call handler told her £500. Ms H had asked if there could be an electronic transfer, but the call handler confirmed they wouldn't be able to do that. The call handler arranged for a manager to call her back.

The call handler did not tell Ms H to transfer any money to her TSB current account in order to withdraw cash at a cash machine. It appears there was a misunderstanding as the call handler mentioned one of the options would be a cash withdrawal. This is correct as either cash can be withdrawn at a branch or could be via a cash machine.

But it appears Ms H interpreted this as her needing to transfer the money from her savings account to the current account and use her current account card to withdraw the cash, which wasn't what the call handler said. But it does appear that Ms H didn't have a card for the savings account, and this is where the confusion arose as the call handler answered Ms H's question about the cash machine withdrawal factually, but if Ms H didn't have a card for her savings account, then this would have no bearing on Ms H's circumstances as she wouldn't be able to withdraw cash at a cash machine with her current account card due to the switch.

I've listened to the call when the manager rang back Ms H. On this call Ms H tells the manager what has happened, and the call handler says the problem with the weekend is that the switcher team isn't open so they can't see if they can do anything to access the funds. But here, the switcher team wouldn't be dealing with funds in savings accounts. They would only be dealing with the current account switch. Ms H was speaking about her savings account. The manager reiterates Ms H needs to speak to the switcher team when they were open.

This leads Ms H to ask for someone on the switcher team to give her a call on Monday morning (the manager couldn't agree that this would happen as she couldn't speak to the team as they weren't open to confirm this at the time she rang Ms H). Ms H agreed to log a complaint online, and she disconnected the call.

So I'm persuaded the manager set an expectation here for Ms H that she needed to speak to the switcher team, when ultimately, they wouldn't be able to help her with getting money out of her savings account.

Ms H's savings account wasn't closed as part of the switch. And the letter TSB sent Ms H regarding the switch dated 27 July 2023 had a section titled "If you have a Savings account with us". Under this section it says "Any Savings accounts you have with us will not be moved to your new bank. You will need to visit a branch to access your Savings money once your current account has been moved". So Ms H would have been aware of this prior to her switch. So the savings account wouldn't be closed unless Ms H closed it.

I've looked at the savings account product conditions, as Ms H would've needed to agree to these upon opening her savings account. These conditions have a section which is titled "Taking money out of your Easy Saver account". In this section, it contained the following:

"You can take money out of your account:

- in branch*
- by using Telephone, Internet or Mobile Banking, or the Mobile App.*

If you take money out of your account using Telephone, Internet or Mobile Banking or the Mobile App, you must pay it into a TSB current or savings account. The account must be in your name or, if you have a joint account, it can be in either of your names.

You can't set up standing orders or Direct Debits.

You can't have a cheque book.

If there is no other way for you to take money out of your account, you can ask us for an ATM card."

So I'm satisfied that this was clear how Ms H could take money out of the account. As she had completed a full switch to her new bank account provider, there was no current account for her to transfer money into moving forward. The conditions were clear that if money was to be taken out using the telephone, internet or mobile banking, it must be paid into a TSB current or savings account.

As Ms H didn't have a current account with TSB after the switch had completed or another savings account, then she would not be able to use the app to move money out of her savings account. So she could either take money out of the account in branch, or she could request a card to take money out of the account. The conditions don't show she could make

an electronic transfer to another account. So I can't say that TSB acted unfairly here by not transferring money to Ms H's new external bank account.

I can see that a call back was attempted on 15 August 2023 to Ms H. The system note shows that it went to answer machine. But the note also acknowledges that Ms H had spoken to them on 15 August 2023. There was one call recording where Ms H asks to be put through to the switcher team, but TSB can't locate the call recording from the switcher team, so I'm unable to hear what was discussed on this call, but I have listened to the calls Ms H had with TSB on 18 August 2023.

Ms H says she doesn't know if TSB has switched over the money from her savings account to her new account. The call handler confirms the switch service only switches current accounts (and no savings accounts). Ms H says there was a faster payment showing on her new bank account for £500 and she asks if anything is showing in her Easy Saver account, which the call handler confirms the balance.

The call handler says he will put Ms H on hold to see what they can do. But the call handler places Ms H on hold for almost 15 minutes, without checking to see if she is still ok to hold. When he returns, he confirms the savings account is completely separate. He suggests a way to get out the money that day is for Ms H to visit a branch with identification, but Ms H says she hasn't got the time to do this. Later in the call Ms H asks to speak to a manager, and the call handler says "just a moment, just a moment", and he appears to put Ms H on hold without warning for around three minutes, before someone else joins the call (presumably a manager/supervisor). But the call recording then cuts off.

There are no other call recordings for me to listen to. So I'm unable to listen to what was said when another TSB staff member took over this call. But it appears that Ms H agreed for the closure of the savings account on this call.

I've considered what would be a fair outcome for this complaint. I can't evidence TSB gave Ms H incorrect information prior to the switch, and the call handler on 12 August 2023 gave her the correct information about how she could withdraw her savings. If Ms H had requested the cheque closure on this call, this would have helped mitigate what happened with further calls and the procedure of closing her savings account would have taken place six days earlier, which should've resulted in Ms H receiving the funds sooner.

But I do think TSB let Ms H down on occasion. I say this because her query was regarding her savings account, not her current account which she switched over. The manager who spoke to Ms H on 12 August 2023 referred her to the switching team, and she didn't fully grasp what Ms H was hoping to achieve. If she reiterated to Ms H how to close the savings account for her to get her money, this could have avoided some of the future calls.

Ms H would not have been inconvenienced to ring TSB and ask for the switcher team on 15 August 2023. And while I don't have the call recording of her conversation with them, it's clear they would have been unable to help her get the funds from her savings account when they don't deal with savings accounts. And this then led to Ms H being further inconvenienced to contact TSB after this date.

Ms H also experienced poor service on the call on 18 August 2023, by being placed on hold for almost 15 minutes without being asked if she was ok to hold for such a long period. It also appears she was placed on hold without being told she was being placed on hold, later in the same call.

Ms H wants £750 compensation for what happened here, and she has mentioned the time she's spent on this complaint. I must explain to her that our awards are not designed to

punish a business or to make it change the way it acts in order to protect other customers in the future. That is the role of the regulator. We sometimes award compensation if we feel that a business has acted wrongfully and therefore caused distress and inconvenience to their customer over and above that which naturally flows from the event.

So I'm persuaded that £100 compensation is proportionate for the distress and inconvenience Ms H was caused by the poor service which I've highlighted. So it follows I intend to ask TSB to put things right for Ms H."

I invited both parties to let me have any further submissions before I reached a final decision. Ms H accepted the provisional decision. TSB did not respond to the provisional 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.

As neither party have provided me with any further information to consider, then my decision and reasoning remains the same as in my provisional decision.

Putting things right

In my provisional decision I said I intend to uphold this complaint in part. I said I intend to ask TSB Bank plc to pay Ms H £100 for distress and inconvenience. I'm still satisfied this is a fair outcome for the reasons given previously.

My final decision

I uphold this complaint in part. TSB Bank plc should pay Ms H £100 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 17 May 2024.

Gregory Sloanes
Ombudsman