

The complaint

Mr S complains that TSB Bank plc spoiled/lost his cheques, and they did not pay his father's expenses.

Mr S is represented by his father in bringing this complaint. But for ease of reading, I'll refer to any submission and comments he has made as being made by Mr S himself.

What happened

Mr S received two cheques for his birthday. In order for the cheques to be paid in, his father travelled to a TSB branch after work. His father says that when he got there at 16:45pm all of the cashiers were closed, and the machine was broken. A member of staff did agree to take the cheques and promised to pay them in manually the next day and contact Mr S' father. A voicemail was left for him the following day saying it was done, but the cheques were not showing in the account. Mr S made a complaint to TSB.

TSB upheld the complaint and paid £75 compensation. They also said they could consider Mr S' expenses. TSB told Mr S' father on the phone that the cheques had been paid into someone else's account in error. The cashier tried to pay them into Mr S' account, but as the cheque clearance team had cleared the cheques, then they were unable to credit Mr S' account. The cheques were then cancelled which returned the funds to the originator. TSB said the branch tried to pay the cheques again, but as they were cancelled, these were unable to credit Mr S' account.

Mr S' father requested TSB pay him for two wasted trips to a TSB branch, which one journey would be 17.6 miles from his home to the branch and two parking tickets at £3 each. TSB apologised for not getting back to him as quickly as they should have. They said they paid his expenses for one return trip to the branch and one parking fee as he would have had to travel to the branch once to pay the cheques into the account. They said expenses of £19 were paid to his account, and as they had not responded quickly to him they would pay another £25 compensation for this. Mr S brought his complaint to our service.

TSB told us that a total of £119 compensation had been paid, but they would like to increase the compensation by £31 to total £150 compensation to take into account the inconvenience and expense caused to Mr S' father when trying to resolve the complaint, the inconvenience and potential expense that will most likely occur if he gets the cancelled cheques reissued and has to make another trip to the branch to deposit them, and the minimal amount of interest loss, due to the cheques not being deposited.

Mr S rejected the offer of the extra £31 compensation. His father said the total of £150 compensation only roughly matches the original value of the lost/spoilt cheques. And this doesn't reflect his wasted journey's to the branch or for the distress and inconvenience he has suffered, and therefore he is still out of pocket.

Our investigator thought the offer was fair. She said our service can only look into complaints brought by eligible complainants, therefore we can only award compensation – including awards for distress or inconvenience – to eligible complainants. She said she understood

that sometimes a business' error can impact a third party, but we can't usually award compensation to them. Therefore, we wouldn't look to award any compensation to Mr S' father as the representative on the case. Mr S asked for an ombudsman to 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've considered what Mr S' father has said about the expenses and him being out of pocket as a result of TSB's errors with the cheques. I've read everything he's said about this issue, so I know why this is an important issue to him, even if I haven't documented everything he's said about this in this decision due to our service being a quick and informal alternative to the courts.

But our rules only allow me to award compensation to an eligible complainant. Here, the only eligible complainant is Mr S himself, not his father. So I can't award compensation for any impact experienced by Mr S' father directly. But there might be some circumstances where the impact on the third party impacts the eligible complainant, so I can then award compensation to the eligible complainant.

I am persuaded that Mr S personally will have been distressed by what happened, even if his father may have shielded him from some of the impact. I say this because there were two cheques being paid into his account as a result of his birthday. So Mr S reasonably would have expected to have this money available to him once the cheques cleared. But when TSB paid these into another person's account, and ultimately cancelled the cheques, it would have been distressing for him not to be able to have access to his birthday money.

In addition to this, Mr S would be caused further inconvenience if he (not his father) asked the people who issued him the cheques to reissue them again, and this could be embarrassing for him to do so.

So I've considered what would be a fair outcome for this complaint, keeping in mind our rules for compensation. I've taken into account TSB have paid £75 compensation for the distress and inconvenience of the cheque issues. They have since offered an extra £31 compensation. While I've considered TSB's rationale for the extra compensation, I wouldn't usually award interest in these circumstances (TSB have suggested there may be minimal interest), as the funds were returned to the senders, and I couldn't say how long the funds would have been in his account if there were no issues with the cheques. And I can't consider the inconvenience and expense caused to Mr S' father directly when trying to resolve the complaint.

But I do agree the extra £31 in addition to the £75 paid for the distress and inconvenience would be fair to take into account the inconvenience that will most likely occur if Mr S himself gets the cancelled cheques reissued. This would mean £106 is paid for the distress and inconvenience Mr S personally has had here, which is in line with our awards for what happened. If the cheques are reissued, Mr S will have the benefit of those funds also. So it follows I'll be asking TSB to put things right for Mr S.

Putting things right

TSB have suggested that they pay Mr S an extra £31 compensation, which I think is reasonable in the circumstances

My final decision

I uphold this complaint in part. TSB Bank plc should pay Mr S an extra £31 compensation for inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 30 May 2024.

Gregory Sloanes
Ombudsman