

The complaint

Mr J complains on behalf of Mrs B about the service he received from TSB Bank plc ("TSB") when attempting to make a money transfer on Mrs B's behalf as her attorney.

What happened

Mrs B holds an account with TSB. Mr J holds a lasting power of attorney (LPA) for Mrs B's property affairs and registered this with TSB on 13 October 2022. When Mr J was added to Mrs B's account as attorney the address for correspondence was changed to Mr J's, but Mrs B's residential address remained the same.

Mr J felt that he could get a better return on Mrs B's money elsewhere and transferred £10,000 – being the daily limit - to an external account on 25 May 2023. Mr J attempted to make a further transfer the following day which TSB blocked and flagged for additional security checks and froze the account.

Mr J says he received a text message from TSB making him aware of this and then a further message asking he call the payment verification team. Mr J did as requested and called TSB on 27 May, but as he couldn't answer all the questions – in particular when the account was opened – TSB couldn't move forward with the unblocking of the account. To lift the block TSB sent Mr J a form to complete and return with his photo ID and selfie of himself and asked he call its call centre.

Mr J returned the requested documents and called TSB on 31 May 2023. Mr J says he spent 34 minutes on the phone call during which he was asked what he considers highly inappropriate questions about his mother's financial wherewithal following which TSB released the payment for £5,801.75.

Mr J raised a complaint with TSB about this on 1 June and listed email as the best way to contact him regarding this. TSB sent a text message confirming it was going to call Mr J from a private number on 5 June and that if he's not available it would send him a final response by letter or email. TSB called Mr J who explained he couldn't take the call and hung up. Mr J was very unhappy as the timing of the call caused him some embarrassment as he was in the middle of a training course he was running. TSB called Mr J back and offered him £25 compensation for the poor service he received which Mr J declined.

Mr J says following this on 7 June TSB sent the police to Mrs B's previous address looking for her. Mr J says the new owners rang him to inform him about this and he had to spend over an hour on hold waiting to talk to the police to ascertain the reason for their visit and eventually had to fill in a form online. Mr J says he was told that TSB had reported a suspected fraud. Mr J is very unhappy about this, he believes TSB knew there was no fraud and its actions were vexatious.

TSB say it doesn't have any notes or evidence that records it sent the police to any address of Mrs B's and that if it had done that it would have been recorded by its branch or fraud team. It says however that banking protocol was invoked following suspected fraud on the account due to suspicious account activity.

TSB upheld Mr J's the complaint regarding the service he received around having the blocks lifted on the account but says it didn't make a mistake in the actions it took as the transfer was stopped for security reasons and its correct procedures were followed. TSB apologised for the service he received – especially regarding raising his complaint - and offered him £25 compensation for this.

Mr J was dissatisfied with this and brought his complaint to this service. Mr J wants to be compensated for the distress and inconvenience caused to him by TSB's actions.

TSB explained that although Mr J listed email on the complaint form as the best way to contact him that by providing it with a mobile number Mr J also confirmed he was happy for it to contact him via this method. TSB says it will always try to call a customer to discuss the complaint to ensure it fully understands what happened unless a customer specifically says they do not wish to be contacted by phone and haven't provided it with their number.

One of our investigator's looked into Mr J's concerns but didn't think that TSB had made a mistake when it took additional security measures that it thought was necessary as it has a duty to safeguard its customer's accounts. And nor did they think TSB had done anything wrong in reporting its concerns to the police as this was to ensure Mrs B's wellbeing – especially given her vulnerabilities.

Our investigator explained that although Mr J has been inconvenienced by all of this, as he is not the account holder – rather he is acting on Mrs B's behalf under a power of attorney – and isn't eligible to complain under our rules and therefore we can't compensate him personally had TSB done something wrong and as complaint handling isn't a regulated activity they didn't think we could look at Mr J's complaint point regarding the way TSB had dealt with his complaint.

Mr J disagreed, he doesn't accept TSB's actions were to safeguard Mrs B when it didn't block the larger first payment. Mr J says he didn't share what happened with Mrs B due to her age and health and would be upset by it. Mr J wants to be compensated for the distress and inconvenience TSB have caused him and has asked for an ombudsman's 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.

I hope that Mr J won't take it as a discourtesy that I've condensed his complaint in the way that I have. It is very clear to me the strength of Mr J's feelings about the matter and I don't want Mr J to think that I've trivialised the experience he's had.

Firstly, I have to be clear that I can't look at the impact TSB's actions have had on Mr J personally. As our investigator has already explained, this is because I can only look at how TSB's actions have affected the account holder - Mrs B – as she is the eligible complainant. So although I accept Mr J may have been inconvenienced and distressed by TSB's actions I can't look at compensating him personally for this if I found that TSB had done something wrong or treated him unfairly. Fortunately, I've not seen anything to suggest Mrs B has been impacted directly financially or otherwise.

I should also explain that as we are not the regulator, I don't have the power to tell TSB how it needs to run its business and I can't make TSB change its systems or processes – such as how or when security checks are made or restrictions applied to an account for fraud prevention. We offer an informal dispute resolution service and we have no regulatory or

disciplinary role.

That said I don't think it is unreasonable for TSB to have processes and tools in place for protecting its customers when potential activity on an account is flagged for a security check. In this case due to the requested activity on the account and what would effectively empty the account, TSB blocked the transfer until it could verify Mr J and that the transfer was legitimate. Unfortunately, Mr J wasn't able to answer all TSB's questions and it didn't feel it was able to verify his identity without further checks and information from Mr J. So, in order to safeguard Mrs B's account, it refused to remove the block until it received this information and Mr J called it back.

I sympathise with Mr J as he has been both distressed and inconvenienced by this when all he was trying to do was a selfless act in assisting with his mother's financial affairs and carrying out his duties as her attorney. But ultimately TSB hasn't made an error here, by flagging the transaction for a security check it too was carrying out its duty in safeguarding its customers affairs.

Furthermore, I don't think TSB acted unreasonably or did anything wrong in continuing to apply restrictions to Mrs B's account following not being able to verify the legitimacy of the transaction or report it to its fraud team and take the action it felt was necessary. Given the amount involved and Mrs B's vulnerability, I think the actions taken by TSB were reasonable and in the best interests of Mrs B.

I appreciate this is most unsatisfactory especially as from Mr J's perspective he too was only acting in Mrs B's best interest's and he believes the actions taken by TSB were disproportionate. But the actions TSB took is in-line with its regulatory obligations and ultimately, it took this action to protect Mrs B's interests, so I don't think TSB have acted unreasonably here.

I accept Mr J has been both distressed and inconvenienced by this and doesn't think the £25 compensation offered is enough. But as I explained above, I am unable to direct TSB award compensation for the distress Mr J suffered personally as he isn't the account holder. And so it follows that as I haven't seen any direct financial loss or detriment to Mrs B I don't think there is anything more TSB needs to do here.

My final decision

For the reasons I've explained, I've decided not to uphold Mr J's complaint on behalf of Mrs B against TSB Bank plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 9 July 2024.

Caroline Davies
Ombudsman