

The complaint

Mrs W complains about blocks applied to her current account by TSB Bank plc.

What happened

Mrs W completed an account switch to TSB on 10 October 2023. Mrs W has explained that since she opened her account, TSB has blocked genuine payments she's tried to make.

On 31 October 2023 TSB blocked a faster payment Mrs W tried to make. At the time, Mrs W had £1,975 in her account and asked TSB to make a payment of £1,969. TSB says the payment used the vast majority of Mrs W's funds. The payment triggered TSB's fraud prevention systems and a block was applied to Mrs W's account. TSB sent Mrs W a text message notifying her to call. Mrs W called TSB and confirmed the payment was genuine. The payment was made for Mrs W and account access was restored.

Mrs W tried to make another faster payment on 11 November 2023, this time for £620. TSB says the payment would've left Mrs W with under £10 in her account and was instructed from abroad. The payment was picked up by TSB's fraud prevention system and held for further checks. Account blocks were applied that meant Mrs W wasn't able to access her online banking facility, use her debit card or instruct manual payments. TSB sent Mrs W a text message and asked her to contact its fraud team to discuss the payment.

Mrs W went on to raise a complaint and TSB issued a final response on 4 December 2023. TSB said the payment in question had been identified as potentially fraudulent and that the blocks were used so it could complete some security checks before approving it. TSB advised Mrs W it still needed to talk to her to ask questions about the payment and remove the account block and a number to call was provided. Mrs W spoke with TSB on 5 December 2023 and the blocks were removed.

TSB issued a follow up final response on 23 January 2024 but didn't agree any mistakes had taken place or that it had treated Mrs W unfairly by applying blocks to her payment and account.

An investigator at this service looked at Mrs W's case. They said TSB's account terms and conditions allowed it to place a block on payments and accounts in certain circumstances, including if it had suspicions of fraud. The investigator wasn't persuaded that TSB had unfairly held Mrs W's payments for further checks or treated her unfairly. Mrs W asked to appeal and explained that the blocks meant she wasn't able to make payments from her account as required. Mrs W also said she'd accepted £25 from TSB after the first account block but felt that doing the same for a second payment was unreasonable. Mrs W also pointed out she was making payments to a credit card in her name and that she felt TSB's actions were overzealous. As Mrs W asked to appeal, her complaint has been passed to me to make a 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'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

I do understand Mrs W's frustration that following her account switch to TSB, genuine payments she tried to make weren't immediately processed. Mrs W's explained she was abroad at the time she needed to make the second payment. But I have to be fair to both parties and I note TSB has provided both systems evidence and copies of its account terms and conditions that set out how it operates.

TSB has provided evidence from its payment systems that shows both the payments in question were picked up for additional checks. I understand that both payments Mrs W instructed were entirely genuine. But I have to balance that against the fact Mrs W's account with TSB was new so had a limited history. And the information TSB obtained shows both payments would've left Mrs W with a low account balance and that the second payment was instructed from abroad. I'm satisfied TSB has shown both payments were identified for further checks before approving them. Even accepting the payments Mrs W was trying to make were genuine, I'm satisfied they were reasonably picked up for further checks by TSB.

I can see our investigator has already set out the relevant terms and conditions that explain what TSB can do if it has suspicions about fraud so I won't quote them again here. But I'm satisfied the terms and conditions say that TSB can use a payment hold and account blocks where it has genuine concerns that a payment may be fraudulent. And I'm satisfied that, in this case, TSB's systems legitimately picked up the payments in question for further checks, applying account blocks before speaking with Mrs W to confirm them.

Mrs W's explained the blocks caused her inconvenience and that she wasn't able to use her account properly. But I note regular automated payments like direct debits continued to be processed. And I think it's fair to say that TSB was quick to remove the first block after Mrs W called it back and spoke with the fraud team which authorised her payment. Mrs W didn't speak with the fraud team about her second payment until the day after TSB issued its final response. But I'm satisfied that if she'd called TSB after it sent her a text message on 11 November 2023 and confirmed it was genuine it would've been released sooner.

I'm very sorry to disappoint Mrs W as I can see how strongly she feels in this matter. But as I haven't found anything that persuades me TSB made a mistake or treated Mrs W unfairly by applying account blocks following the payments she tried to make, I'm not upholding her complaint or telling it to take any further action.

My final decision

My decision is that I don't uphold Mrs W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 12 November 2024.

Marco Manente
Ombudsman

