

The complaint

Mr R complains that TSB Bank plc unreasonably blocked a payment from his account and then blocked him from being able to close his account. And that it discriminated against him by not providing a reasonable alternative to using a telephone.

What happened

On 16 January 2024, Mr R attempted to purchase some medical equipment by online payment. The payment was blocked by TSB's fraud detection process, and Mr R was told to contact the fraud team by telephone to get the payment unblocked. Mr R explained that he suffers from telephobia, a condition which causes him distressing physical effects when he has to use a telephone and/or that he has to take strong medication in order to do this. He attempted to use the online chat service but was told he would need to contact the fraud team by telephone. TSB offered him alternatives of consenting to ask someone to speak for him or to visit his local branch with ID.

Mr R says he felt forced to call TSB but had to take medication in order to get through the call. He was told that he would need to complete an ID form and submit it online before calling back.

Mr R says he felt that he wasn't able to call back, so he tried to close his account by putting all his funds in a savings pot. But he was still blocked by TSB from being able to use his savings. He said this caused great financial difficulties in not being able to use the savings particularly as he was in the process of moving house.

TSB has said that Mr R's account was blocked by its fraud detection process. And that when he spoke to the fraud detection team there remained a concern about the payment he was seeking to make. It asked him to complete an ID form which, as of the date of its final response letter of 18 January 2024, TSB believed he hadn't done. In fact he had completed the form, but TSB has explained that it had always been made clear to him that he still needed to call back after doing this. It believed that it had provided reasonable alternatives to having to speak on the phone. In respect of the closure of his account it said it still could not unblock the payment due to its ongoing concerns about the payment he had tried to make.

Mr R believes he was discriminated against as TSB had not made reasonable adjustments for his disability. He pointed out there was no easily accessible branch of TSB particularly due to the weather conditions where he lived at the time. He also said that TSB had failed to advise him about the possibility of using the Relay UK service.

On referral to the Financial Ombudsman Service, our Investigator said she thought that TSB had acted in accordance with good industry practice, that it had acted reasonably when putting a block on Mr R's account and had offered suitable alternatives to him having to use a telephone.

The matter was passed to me for an Ombudsman's consideration. I asked our Investigator to ask TSB whether it would accept communication from Mr R via the Relay UK service. It

advised that it does support the use of this service for its non-hearing customers. However it said it had no indication from Mr R that he is registered to use the service or that he has any issues with his hearing. It has confirmed that it is set up to receive such a call if a customer calls using that service. However Mr R had not done so, or indicated that he had or uses the service which requires the user (so Mr R) to register for it.

I understand that, as of 31 July 2024, Mr R was able to close his account online without any further interaction with TSB.

I issued a provisional decision. In it I said that I thought that TSB should have offered the use of Relay UK. So I found that it didn't act reasonably in the service it offered Mr R to unblock his account. I proposed that it pay compensation of £500.

TSB said:

- It did indeed suggest alternatives to Mr R however he chose not to proceed with the others.
- It was not exceptionally bad weather from the point of time from the fraud alerts until his ultimate decision to close the account.
- It also suggested that Mr R could arrange for a trusted friend/family member to assist him on the phone when he contacted its fraud team and again he chose not to do this. A representative is now assisting him with the complaint to this Service. This would also suggest that he does indeed have someone trusted that could've helped him.
- He could have submitted the adobe form and called back once he had done this, whilst the same medication would've been in effect.
- The Relay Service is provided typically for customers who have hearing issues and not situations such as this and indeed it is clear that Mr R uses the phone and indeed had contacted the bank via this method. Furthermore, he pays monthly for a mobile phone via direct debit which would also mean that he expects to and anticipates using a phone from time to time in his everyday life.
- It also raises the question given he has banking facilities elsewhere, what services has Mr R got in place and what he was expecting to do if payments he was trying to make were flagged or he needed to speak to other organisations in his day to day dealings.
- It is also not reasonable to assert that had it suggested Mr R uses Relay UK that he even would've done, especially as it is not even clear he has registered for or uses this service now.
- Ultimately a payment flagged for additional checks, its fraud team had concerns about the payment, Mr R was advised of the next steps, but he declined to follow these or any suggestions made at the time.

Mr R proposed that a reasonable compensation figure would be £700 which he would accept to close the matter.

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.

The following were my provisional findings:

“Mr R has complained that TSB has failed to make reasonable adjustments for him. In other words, that it has failed in its duty to make reasonable adjustments under the Equality Act 2010. I’ve taken the Equality Act 2010 into account when deciding this complaint – given that it’s relevant law – but I’ve ultimately decided this complaint based on what’s fair and reasonable. If Mr R wants a decision that TSB has breached the Equality Act 2010, then he’d need to go to Court.

I’ve considered whether TSB acted fairly in blocking Mr R’s payment in the first place and also in continuing to block Mr R from being able to remove his money from his account. All banks must have a process which provides protection where possible frauds or scams are concerned. I am satisfied that TSB acted reasonably here when blocking Mr R’s payment. I understand his point that the payment was for medical equipment and that the company concerned had good reviews online. Nevertheless as an online payment rather than one done by credit or debit card, which would have offered more protection, and bearing in mind the amount of the payment and its nature, I can understand that there was concern about it. This was to protect Mr R as much as TSB.

Firstly, during the online chats Mr R kept being told to call the fraud team despite the fact he’d told TSB about his telephobia. He then kept having to repeat himself. It doesn’t appear that those needs were added to his notes. So he says he felt forced to make a call. From listening to that one call Mr R was able to make, he was told he would need to use the telephone or to go into a local branch. I think the latter was impractical given how far he lived from a branch and the weather at the time. He was offered the option of calling and then using a friend or relative to speak for him. But neither of those options were talked through with him. He had explained in the course of that call that he’d had to take a sedative, but I can’t see that his needs were logged. TSB did say after its telephone call with Mr R that he needed to complete an identity form online. It initially denied having received this from Mr R. He had in fact completed the form, but TSB made it clear that he would still need to call back after completing the form.

But I have to bear in mind that Mr R did manage to close his account and withdraw his money, without having to make any further telephone contact, which must mean that TSB had removed the block.

In any event, TSB has now said Mr R could’ve used Relay UK but he didn’t contact it in order to do so. He did mention this in his initial letter of complaint, and it doesn’t appear that he attempted to call TSB using the service. But I do think that TSB should have considered this as an alternative method of getting the block removed. The service is advertised as for people with hearing and speech difficulties.

In February 2021, the FCA (Financial Conduct Authority) published guidance for firms on the fair treatment of vulnerable customers. This sets out what firms should do to ensure that customers in vulnerable circumstances experience outcomes as good as those for other consumers. This is enhanced by the Consumer Duty, which applied from 31 July 2023. The guidance for this highlighted that it is likely to be inconsistent with the duty for firms to have a rigid approach to the provision of customer support that doesn’t effectively take into account the needs of customers with characteristics of vulnerability. And that they should adopt a flexible approach when dealing with customers with characteristics of vulnerability.

TSB says it supports the use of the Relay UK service for its non-hearing customers. However it said it has had no indication from Mr R that he is registered to use the service or that he has any issues with his hearing. But I think the service is for customers who have difficulties using the telephone and is not just for those who are speech or hearing impaired.

I don't think that that is offering a flexible approach.

So I think that TSB didn't act reasonably in the service it offered Mr R to unblock his account. Mr R set out in his initial statement of complaint how this affected him, making him feel anxious and unwell at the thought of having to contact TSB by phone again. He also says that lack of access to his funds forced him to ask other people to borrow money particularly as he was in the course of moving house. For his distress and inconvenience, I think that TSB should pay compensation of £500."

The point I was making in my provisional findings was that TSB should have been assisting a vulnerable customer to unblock his account. Whilst it provided two alternatives to Mr R having to use the phone to call back, I don't think that was practical in Mr R's case. And TSB's response indicates to me that it didn't really believe that he couldn't use the phone.

In respect of visiting a branch, only a pop-up branch some miles away was available once a week and there was exceptionally bad weather at the time that Mr R was trying to make the payments and then closing his account. He did tell us that he felt so unwell because of this situation and so triggered that he feared for what he might say or do in a branch once triggered again.

As for using a trusted friend/family member to assist him, firstly this would require him using the phone at least to make the contact and secondly this was not gone into with him during the online chats or during the telephone call. Just for clarification, the representative he is currently using is a caseworker of his local MP. They contacted us after Mr R had managed to close his account.

I note that TSB continues to doubt whether Relay UK was suitable for this situation. It also doubts whether Mr R would have used it had it offered the service to him. All I can say is that it was Mr R himself who suggested to us that he should be able to use Relay UK to us. At the time of him making his complaint TSB had advised, in its final response letter that if he completed the Adobe form it would be able to unblock the account.

In respect of use of a mobile phone, Mr R advises us that he used it for texts, WhatsApp, Facebook and emails.

I don't intend to hypothesise about what might happen if Mr R's new bank flags a payment for possible fraud. But I trust it will have noted his vulnerabilities and treat him fairly.

As regards calling back after completing the Adobe form, Mr R has told us that the medication he took to make the telephone call has side effects. And he didn't feel able to call back.

The compensation awarded reflects in my view the distress and inconvenience caused to Mr R essentially because he couldn't use a phone. Also TSB's apparent lack of empathy for his situation and its failure to offer him a reasonable alternative. As noted in my provisional findings TSB subsequently allowed the account to be unblocked and then closed without any further contact with Mr R. So it would appear that its concerns about fraud had been reviewed which allowed this to happen.

I've reviewed the compensation award, but I do think in the circumstances it is an appropriate figure.

I remain persuaded by my provisional findings. Those findings are now final and form part of this final decision.

Putting things right

TSB should pay Mr R £500 compensation.

My final decision

I uphold the complaint and require TSB Bank plc to provide the remedy set out under “Putting things right” above.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr R to accept or reject my decision before 15 November 2024.

Ray Lawley
Ombudsman