

## **The complaint**

Mr N complains that TSB Bank plc blocked his account while it investigated a payment into it. He says that the bank's actions caused him significant distress and inconvenience.

## **What happened**

On 31 March 2024 Mr N received a payment of £1,350 into his TSB account. He says it was from the sale of a caravan.

Shortly afterwards, TSB received a report that the payment had been made as a result of a scam. It restricted Mr N's account, so that he had to go to a branch to make withdrawals; TSB asked Mr N to provide proof that he was entitled to the funds.

Because of the way the sale of the caravan was arranged, Mr N said he was unable provide, for example, copies of advertisements or exchanges with the buyer. TSB did however agree to lift the account restrictions after 22 days and to return the funds to it.

Mr N referred the matter to this service. Our investigator issued a preliminary assessment in which he said that he thought TSB had been within its rights to restrict the account, but that the restrictions should have been lifted sooner than they had been. He recommended that TSB pay Mr N £100 in recognition of that. He then made a small change to recommend as well that TSB pay interest on the £1,350 from 16 to 22 April 2024 – which he noted amounted to less than £2.

TSB accepted the investigator's recommendation, but Mr N did not and asked that an ombudsman review the case.

## **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.

TSB received a claim that the payment of £1,350 to Mr N's account was the result of a fraud. On the face of it, that claim was credible – in the sense that scams based on false sales of vehicles and similar goods are not uncommon. It was, therefore, not unreasonable of TSB to investigate the allegation that had been made. It was reasonable too for it to restrict Mr N's access to the account while that investigation took place.

I note that Mr N was able to withdraw money at a branch. That would have put him to some inconvenience of course, but I think it was a reasonable precaution for the bank to take. And three direct debit payments failed while the account was restricted. Again, that no doubt caused Mr N further inconvenience, but, since the restrictions were reasonable, I cannot fairly award compensation for that.

The investigator thought however that TSB's investigation of the matter should have been concluded sooner than it was. TSB agreed with his recommendation that it pay Mr N £100

and a small amount of interest as a result. I too agree that this represents a fair resolution of the complaint.

### **Putting things right**

Although TSB agreed to the investigator's recommendation, I will nevertheless make a formal award, so that Mr N can enforce it, should that be necessary.

### **My final decision**

For these reasons, my final decision is that, to resolve Mr N's complaint in full, TSB Bank plc should pay him £100 plus interest on £1,350 at 8% a year simple from 16 to 22 April 2024.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 28 January 2025.

Mike Ingram  
**Ombudsman**