

The complaint

Mrs S complains that TSB Bank plc ("TSB") unfairly provided her with nine account overdraft limit increases.

What happened

In April 2014 Mrs S had an account overdraft limit of £100.

In February 2016 TSB increased Mrs S' account overdraft limit to £400.

Between 23 May and 2 June 2024 Mrs S was granted nine increases to her account overdraft limit by TSB. The first was an increase to £600 and the ninth was an increase to £2,900.

Unhappy with being granted nine account overdraft limit increases in ten days Mrs S complained to TSB and then our service.

Mrs S' complaint was considered by one of our investigators who came to the view that TSB shouldn't have granted any of the nine overdraft limit increases that it did and to fairly and reasonably compensate Mrs S' for granting those increases it should 're-work' Mrs S' account removing all charges debited to it since 23 May 2024.

TSB responded to the investigator's view to say that Mrs S had 'repaid' the account in full on 19 July 2024 and the only charge debited since 23 May 2024 had been refunded by it before the account was repaid in full.

Mrs S responded to the investigator's view to say that she felt TSB should have to refund her £2,500 of what she had paid it to repay the account in full, representing the limit increase to £2,900 from £400.

Because Mrs S felt TSB should have to refund her £2,500 her complaint has been passed to me for review and 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.

First, I want to point out that I've summarised this complaint in far less detail than the parties and I've done so using my own words. I'm not going to respond to every single point made by the parties involved. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

Secondly, and for the avoidance of doubt, I would like to make it clear that I'm only considering in this decision Mrs S' complaint that TSB shouldn't have granted her the nine overdraft limit increases that it did, not any other complaint she might have about TSB.

Finally, I would also add that I've considered this case on its own facts and merits and in doing so I'm not bound by what our service may have decided on any other complaint brought by Mrs S in respect of unaffordable or irresponsible lending.

The investigator came to the view that TSB shouldn't have granted any of the limit increases that it did between 23 May and 2 June 2024. I don't necessarily agree with our investigator, but I need make no finding on this point. I say this because even if I was to agree with the investigator I'm not persuaded that TSB need do anything further to compensate Mrs S. I say this for the following reasons:

- Mrs S had the benefit of the additional capital she borrowed on overdraft (of approximately £2,500) and it was only fair that this sum was repaid by her
- TSB had already refunded all charges debited to the account as a result of it granting the nine limit increases that it did before Mrs S repaid the account in full

In reaching this conclusion I've also considered whether the lending relationship between TSB and Mrs S might have been unfair to Mrs S under section 140A of the Consumer Credit Act 1974 ("CCA"). However I haven't seen anything to suggest that section 140A CCA or anything else would, given the facts of this complaint, lead to a different outcome here.

I appreciate this will be very disappointing for Mrs S. But I hope she'll understand the reasons for my decision and that she'll at least feel her concerns have been listened to

My final decision

My final decision is that TSB Bank plc need do nothing further in respect of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 30 January 2025.

Peter Cook
Ombudsman