

## **The complaint**

Mrs W and Mr W complain that TSB Bank plc unfairly closed their joint account.

## **What happened**

In December 2024, TSB wrote to Mrs W and Mr W to advise that their account would be closing immediately. They complained to the bank because TSB did so without notice or an explanation.

Mrs W and Mr W say they were left without access to their funds, meaning they couldn't meet essential payments. They want the bank to compensate them and explain its reasons for closing their account.

TSB's response said that it had acted fairly. Mrs W and Mr W didn't agree and referred their complaint to this service. One of our investigators concluded that TSB's actions were reasonable.

Mrs W and Mr W remained unhappy and asked for a final decision – so the complaint has been passed to me.

## **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 not upholding this complaint and I'll explain why.

TSB is strictly regulated and must take certain actions in order to meet its legal and regulatory obligations when providing account services to customers. Those obligations can broadly be summarised as a responsibility to know its customer, monitor accounts, verify the source and purpose of funds, as well as detect and prevent other harm.

To comply with its legal and regulatory obligations, financial businesses will review customers' accounts, which can either be periodic or event driven. Having looked at all the evidence and information in this case, I'm satisfied that TSB's reasons for review were done in line with its obligations.

It's generally for financial institutions to decide whether to provide, or to continue to provide, banking facilities to any particular customer. Each financial institution has its own criteria and risk assessment for deciding whether to open or close accounts.

Providing an account to a customer is a commercial decision that a financial institution is entitled to take. Unless there's a good reason to do so, this service won't usually say that a bank must keep a customer. However, a bank should still make sure it hasn't exercised its discretion for plainly unfair reasons, or that it was due to a mistake, and it should still comply with its terms and conditions.

The terms and conditions that applied to Mrs W and Mr W's account set out that TSB could

close their account either by giving at least two months' notice, or in some circumstances it could close the account immediately, which is what happened here. So, I've gone on to consider whether in light of its review it was fair for TSB to close their account the way it did.

Based on the information I've seen, I'm satisfied that TSB acted fairly and in line with its terms and conditions when doing so. I understand that Mrs W and Mr W would've liked to have known why TSB closed their account. But the bank is under no obligation to explain why it made this decision.

It's important that I point out that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for several reasons – for example, if it contains security information, or commercially sensitive information. Some of the information TSB has provided is information I consider should be kept confidential.

I empathise with Mrs W and Mr W as I appreciate this would've been a distressing experience. And I can understand the inconvenience they would've experienced by not having access to their funds. But I can only consider making an award if I decide that TSB's decision was unfair – as I've explained, I don't think it was. So I won't be awarding compensation.

Given what I've said above, I'm satisfied TSB acted fairly. So I'm not upholding this complaint.

### **My final decision**

I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W and Mr W to accept or reject my decision before 8 October 2025.

Abdul Ali  
**Ombudsman**