

The complaint

Mrs C complains that TSB Bank plc closed her credit card account.

What happened

Mrs C holds a credit card account with TSB.

In December 2024 TSB wrote to Mrs C advising her that they had made a decision to close her credit card with effect from 23 February 2025 due to inactivity.

On receiving the letter Mrs C telephoned TSB and requested that her card be reinstated. The agent who Mrs C spoke to explained the details to Mrs C and raised a complaint.

TSB didn't uphold the complaint. In its final response letter dated 3 February 2025 it said the card hadn't been used since October 2021 and that it had taken the decision to close the card in line with the terms and conditions of the account. TSB said it had listened to the calls with Mrs C and it acknowledged that it hadn't been made clear that her complaint would be closed. It apologised for the misinformation on the call and paid compensation of £25.

Mrs C remained unhappy and complained to this service.

Our investigator didn't uphold the complaint. She said that TSB had the right to withdraw the credit card facility for various reasons (including dormancy) under the terms and conditions of the account. She said that although there was information on TSB's website which said they may reactivate accounts in certain situations, this was at the discretion of the business and TSB had already stated that they wouldn't be reactivating Mrs C's account.

Mrs C didn't agree. She said she didn't feel that consideration had been given to the fact that she had been a loyal customer of TSB for 42 years and that her credit card had been withdrawn for a minor reason.

Because Mrs C didn't agree I've been asked to review the complaint.

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 know it will disappoint Mrs C but I agree with the investigators opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision, If I don't comment on a specific point, its not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

I've reviewed the terms and conditions of the account. These state that TSB can withdraw credit facilities for several reasons provided that they give reasonable notice.

In Mrs C's case, TSB closed the account for reasons of dormancy because the credit card hadn't been used for over 3 years. I can see that TSB gave Mrs C around 8 weeks' notice of the close of the account.

Based on what I've seen, TSB has acted in one with the terms and conditions when it closed the account. So I'm unable to say that TSB made an error or acted outside of the terms and conditions.

I've gone on to consider whether TSB has treated Mrs C fairly. It's not in dispute that the card hadn't been used since October 2021. Mrs C has said that she told TSB (when she contacted them in response to the closure letter) that it was her intention to use the card in the future.

Mrs C has also said that she's been a customer of TSB for a long time and feels that her loyalty hasn't been taken into consideration by the business.

I appreciate that TSB's decision to close the account is disappointing for Mrs C. However, from TSB's perspective, the account was dormant for a considerable time and there was nothing to suggest that Mrs C was reliant on the credit facility as she hadn't used it for over three years.

Ultimately this is a business decision that TSB is allowed to make. And whilst I acknowledge that Mrs C is unhappy about it, I haven't found any evidence to say that TSB treated her unfairly.

I've reviewed the wording on TSB's website and I can see that there are circumstances in which the decision to close an account can be reviewed. However, in this case, Mrs C has already had the decision reviewed and TSB has stated that it won't be reversing its decision to close the account.

Taking all the available information into account, I'm unable to say that TSB has made an error or treated Mrs C unfairly. I'm unable to uphold the complaint.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 12 August 2025.

Emma Davy
Ombudsman