

The complaint

Mr S, a trustee of IB a charity, complains about TSB Bank plc's handling of and failure to carry out its instruction to change the signatories on its account.

What happened

Mr S said 'Board of Resolutions' mandates were handed in at two TSB branches to change IB's signatories in November 2024, but TSB didn't confirm receipt. He said there was a lack of requirements and urgency from TSB which led to a loss of access to the accounts when TSB blocked them. He said this could have caused IB to close had he and another member not funded it. Mr S said there was also a lack of response from TSB to IB's complaint. He wants an apology and compensation to cover costs when there was no access to funds.

In its response, TSB said no mistake had been made. It said it received the two mandate forms, but they were rejected as not containing the correct information. TSB said it had communicated the requirements to IB and had responded to its communications.

Mr S disagreed and referred its complaint to our service. Mr S said all of his dealings with TSB had been painfully slow and very stressful and TSB made it impossible to communicate directly with a member of its banking unit. He said he has made 13 calls to TSB, receiving only one promised call back and responses were outside of TSB's service level agreement.

TSB told us that IB agreed to its business terms when the accounts were opened, and these make clear that any changes to the authorised parties should be reported to TSB and show how this can be amended. TSB said the terms also make clear that it can block an account or payment if it has any concerns about the operators, the account, or the funds it contains.

TSB received the mandate on 12 December but advised IB the parties didn't match those on its records. Another form was received on 24 December, but this didn't match the mandate. TSB wrote to IB and told Mr S and received another form on 2 January 2025 which was also rejected as TSB couldn't verify the trustees from the charity regulator. TSB wrote asking for a list of current trustees, and to say that all should be listed on the form. TSB said it was not until 14 February that it received the documents which enabled it to process the request.

Our investigator did not recommend that the complaint be upheld. He said the timeline of events didn't show any gap caused by any bank error. And TSB contacted IB in reasonable time explaining what information was needed on multiple occasions.

Mr S disagreed with the investigator and requested an ombudsman review IB's complaint. He said the lack of proactive communication from TSB was very disappointing, particularly its lack of urgency to achieve the change of signatories and IB didn't know when they would have access to its bank account. He and another member were financially disadvantaged. Mr S said they weren't able to speak to the dedicated complaint handler at any stage.

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.

Mr S would like an apology from TSB to IB for its lack of urgency in processing the mandate and lack of proactive communication. He also wants reassurance this will not happen to any other charities and compensation for TSB's lack of urgency and appreciation of the situation.

I can see how frustrating it was for IB's trustees for each new communication from TSB to either reject documents forwarded on IB's behalf, or to raise a further issue that needed to be addressed before the trustees could gain access to the account. I note that the trustees have since moved IB's account to another provider.

I was sorry to learn that what should have been a straightforward process of amending the trustees via a bank mandate has turned into a prolonged and stressful experience. I'm pleased to learn that IB continued to function during this very difficult time, largely due to the intervention of the trustees when the account couldn't be accessed.

My role is to consider what both sides have said, along with any evidence provided – to decide if TSB has acted fairly. Having done so, I have reached the same conclusion as the investigator and for the same reasons. I will explain.

I have checked Mr S's recollection and TSB's records for the timeline of interactions between the parties. Mr S visited TSB branches with the mandate in mid-November 2024 and called on 19 November, but as he wasn't a named party to the account, TSB said it could only give general information.

IB called on 3 December that it wasn't able to fill in its online form to change the signatories, and TSB sent a paper version. Mr S called on 10 December and was frustrated to discover the new mandate wasn't logged by TSB despite being handed in at branch on 6 December. Receipt of the mandate was confirmed to Mr S by TSB on his call of 12 December, but not an accompanying document that was required. This was confirmed as received but rejected on 17 December as it didn't include details of all signatories.

Further attendance at the branch and amendment of the signatories followed in December, before the document was rejected as set out in TSB's letter of 20 December. This unhappy saga continued throughout January and until 14 February 2025 when TSB received the documents which enabled it to process the request. TSB confirmed this and that IB could once again access its account on 18 February.

I can see TSB went back to IB several times to explain what was required of the trustees. However, it was not until 14 February that it received the correct completed documents which enabled us to process IB's request and confirm this. The mandate was supplied to TSB several times and on each occasion the named parties did not match what TSB had on its records. Once TSB received the full list of trustees, the request was processed.

Mr S said he only received one promised call back. I think TSB could have communicated more quickly and effectively in this way and would have confirmed to Mr S that mandates submitted to TSB branches had not been lost. TSB should have spelt Mr S's name correctly in its letters. However, I don't think this would have brought about a quicker resolution to IB's difficulties as TSB couldn't make the changes requested until it received the information it required. And it required more information about the trustees than IB's trustees anticipated.

Mr S requested that TSB communicate with IB by letter and phone rather than email. This was an understandable attempt to speed up what was becoming a long, drawn-out process. But TSB's process is to maintain postal communications for changes of account details and

mandates for the extra security that this affords. I have seen this approach from most banks, and I think it is a reasonable precaution. TSB did send emails on some occasions.

I've seen that TSB contacted IB in reasonable time by letters, providing new mandates and informing them what was needed. I agree with the investigator that TSB did not make an error in restricting the account until the mandate changes were implemented as financial businesses have a statutory duty to ensure that they hold accurate and up to date information about their account holders.

Mr S raised the poor communication and service of TSB's customer relations department, and the lack of provision to speak to a dedicated complaint handler. Complaint handling is not a regulated activity and so we do not consider how a business handles their complaints.

I'd like to reassure Mr S that I've looked at and thought about everything he's said and sent us, particularly the customer service issues with the change of trustees. But I haven't seen enough to suggest TSB did anything wrong when it examined and rejected IB's mandate forms and required further information from IB's trustees. So, it would not be fair for me to tell TSB to apologise or pay compensation in relation to IB's complaint.

Our service investigates the merits of complaints on an individual basis and that is what I've done here. I think it's important to explain that my decision is final. I realise that Mr S will be disappointed by this outcome though I hope the trustees appreciate the reasons why it had to be this way. By rejecting this decision all options remain open to them.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask IB to accept or reject my decision before 17 November 2025.

Andrew Fraser
Ombudsman