

## **The complaint**

Miss N complains that TSB blocked and then closed her account.

## **What happened**

Miss N had an account with TSB which she opened in September 2024. In November 2024, TSB placed a restriction on the account while it carried out a review. TSB then decided to close Miss N's account. It gave Miss N two months' notice, and the account closed in January 2025.

Miss N thinks TSB treated her unfairly. She thinks TSB restricted the account after she made a complaint – and then closed the account because she repeatedly tried to add her payment card to a digital wallet. She separately raised further complaints about the service she received from TSB.

TSB looked at these issues and sent Miss N a number of final responses. In total, TSB has offered to pay Miss N £150 to reflect the distress and inconvenience this all caused. Our investigator looked at this and thought that what TSB had offered was fair.

Miss N doesn't agree. The complaint has been referred to me to decide.

## **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, like all financial businesses, is subject to legal and regulatory requirements that mean it may need to review accounts at any time. When it does this it may not be able to give reasons. This is reflected in the terms and conditions that apply to Miss N's account which sets out the circumstances in which TSB could restrict accounts.

The terms and conditions also set out the circumstances in which TSB could close accounts. Miss N's account was a basic bank account. This means TSB could only close an account in limited circumstances. In some circumstances it could do so immediately, but otherwise it needed to let Miss N know two months in advance. Here, TSB gave Miss N two months' notice.

TSB has provided information in confidence about why it restricted and closed Miss N's account. Our rules allow me to receive information in confidence. I'm satisfied this information is sensitive and so not all of it can be shared with Miss N. Based on what I've seen, I'm satisfied TSB was acting in line with its legal and regulatory requirements when it reviewed Miss N's account. I'm also satisfied TSB was acting in line with the terms and conditions of the account when it made the decision to close her account. In particular, I note Miss N had another account with another bank – and the terms and conditions state that Miss N isn't eligible for this account if she had access to another account or subsequently opened one elsewhere. When I consider this alongside the rest of the information I've seen about the closure, I can't say TSB acted unfairly in closing Miss N's account.

That said, Miss N has raised a number of other complaints about what TSB did.

In October 2024 TSB considered a complaint that Miss N had to wait too long for someone to help her with a disputed transaction. There were also some periods of maintenance or service outage which meant Miss N hadn't been able to access TSB's services. TSB offered to pay Miss N £50 in respect of these issues. Someone at TSB also incorrectly told Miss N she could add her card to a digital wallet, despite this not being possible at that point. TSB offered Miss N a further £150 in respect of this.

Miss N has mentioned a further occasion on which TSB failed to contact her in line with its normal time scales. In November 2024, Miss N contacted TSB to query a payment to an online retailer which she didn't recognise – but later realised this was related to a subscription she hadn't cancelled. Miss N is unhappy that TSB took too long to respond to this – I can see she was told in the chat they'd aim to get back to her within 3 hours, but within 24 hours at most. In fact, TSB contacted her around 26 hours later. I accept that TSB told Miss N that it was busier than normal and its response might be delayed.

Finally, Miss N has complained that after TSB closed the account she had to visit branch with ID in order to withdraw her funds. She says that when she went into branch to collect her benefits she had to wait – she says staff told her in front of other customers that they needed to contact the fraud team to access the funds.

I've thought about all of this. Where I make an award for distress, inconvenience, trouble or upset this isn't to punish the business for its mistakes but to reflect the impact of what it did wrong. Given I've concluded that TSB was entitled to block and then close the account, I cannot award compensation for that. I accept that having an account closed is going to cause some degree of inconvenience – but that's unavoidable. I'm also mindful that Miss N has already received £200 in compensation for other issues that occurred around this time. I'm satisfied that it's fair for me to take that into account when considering the total compensation Miss N should be paid. I accept that TSB may have taken a couple of hours longer than expected in responding to Miss N's report of an unauthorised transaction – though I note that once Miss N checked, the retailer explained it was for a subscription she'd agreed to. I'm not persuaded that this caused Miss N more than minor inconvenience. TSB doesn't have records of the interaction in the branch, but I do find it plausible that staff may have needed to have contacted colleagues before they could give Miss N access to her funds, and the statements to show that she withdrew cash on those days. And I can understand why she'd find what happened upsetting.

But when I consider the totality of what TSB has already paid Miss N, I'm not persuaded to tell TSB to pay Miss N more. Much of what happened inevitably followed from the closure of the account. And based on what I've seen, the amount TSB has already awarded is broadly in line with what I'd otherwise have awarded for everything that happened. I'm not going to tell TSB to do more.

I've considered Miss N's further comments. But they don't change my conclusion.

### **My final decision**

For the reasons above, my final decision is that TSB Bank plc has already paid fair compensation for everything that happened to Miss N. I make no further award.

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

Rebecca Hardman  
**Ombudsman**