

The complaint

Mr N has complained that TSB Bank plc unfairly closed his current account.

What happened

Mr N applied to TSB for an account and overdraft facility on 27 March 2025. But, on 1 April 2025, it decided not to proceed. It then sent Mr N a letter, but this didn't give a specific reason.

One of our investigators looked into what had happened. They said that TSB isn't obliged to give a reason why the account was closed, but could see from the final response letter that it said, "In reference to the secondary checks that our Risk department have also completed, I can confirm it is explained in our terms and conditions that we have the right to run secondary checks on any of customers' accounts or applications if we require any further information or if something is highlighted on their risk assessment."

Although our investigator could understand Mr N's frustration, they felt TSB had been entitled to make the commercial decision it had.

Mr N disagreed. In summary he said:

- it's not illegal to have multiple bank accounts, and his personal income is significantly higher than average, and this maximises potential FSCS compensation;
- none of the reasons for closing an account that are listed in TSB's terms and conditions apply to him; and
- he doesn't understand why he'd fall outside TSB's risk appetite for a personal bank account.

The complaint's now 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.

Having done so, I'm not upholding it. I'll explain why.

I fully understand Mr N's frustration, and that he feels TSB's decision is unfair. I also understand why he'd want to maximise the protection offered by the FSCS scheme. However, it is ultimately up to TSB to decide whether to provide someone with an account (or continue to provide an existing account). This is also set out in its terms and conditions in section 16, which states:

"How can we end this agreement?' The reason for immediate closure are –

- *You're acting fraudulently*

- *You're behaving improperly. This includes being abusive or threatening to us or others (for example, using an abusive message in a payment instruction)*
- *You're using a service or money illegally (or are allowing someone else to do so)*
- *You've seriously or regularly broken these terms and conditions in some other way"*

I fully appreciate that Mr N has explained none of the reasons apply to him, and I'm not suggesting for a moment that any of them do. But what is key, is that it then goes on to say the account can be closed by TSB for 'any other reason'.

TSB has acted as it was entitled to do, and it would be inappropriate for me to require it to provide an account when it has made a commercial decision not to do so. This means I'm not requiring it to do anything more.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 17 February 2026.

Elspeth Wood
Ombudsman