DRN-6005397

The complaint

Mr S complains that he contacted TSB Bank plc twice regarding incorrectly claimed Direct Debits by an energy company and experienced delays in getting the refunds.

What happened

Mr S told TSB that he'd cancelled a direct debit with his energy company in March 2025, but payments had been taken after that date. TSB said if the claim was accepted, the refund would be paid within one working day. But it wasn't. Mr S complained and TSB apologised paying £25 compensation which was accepted.

Mr S raised a further indemnity claim saying the direct debit had actually been cancelled in February 2025 and so he was due a refund of the payment taken in March 2025. TSB declined the claim because of the conflicting cancellation dates and asked Mr S to contact the energy company directly. Mr S complained again saying he was entitled to an immediate refund under the direct debit guarantee scheme. He also complained that TSB didn't raise a new complaint but dealt with it under the old complaint reference.

Mr S referred his complaint to the Financial Ombudsman Service, where an investigator considered his complaint. Their initial opinion was that TSB hadn't done anything wrong and its payment of £25 compensation and an apology was appropriate. Mr S disagreed with the investigator. He said the statement that TSB's system didn't allow it to make the third direct debit wasn't accurate. And the refund was only made after his complaint was escalated to this service. Our investigator sent a second opinion saying TSB should pay compensation of £50 because the second claim had been delayed and TSB should have set up a new complaint. Mr S accepted the new outcome, but TSB didn't. It said the Financial Ombudsman Service didn't have the power to tell it how to handle complaints and there had been no delay or poor service.

The complaint was passed to me to decide and I issued a provisional decision as I didn't agree that further compensation was payable. I considered the two aspects which Mr S had complained about, these being alleged poor service and the delay in getting a refund.

I said that I felt TSB hadn't done anything wrong by carrying out checks before issuing a refund of the extra month's payment. It had been given two different cancellation dates and so it was reasonable to check which was correct. Carrying out those checks meant the refund wasn't immediate but I don't believe TSB did anything wrong.

I said the Financial Ombudsman Service couldn't tell a business how it should carry out its complaint process.
Re-opening the old complaint led to a quicker response than may have happened if a new complaint had been raised and so I saw no detriment to Mr S. I concluded TSB hadn't given Mr S poor service.

TSB didn't reply to my provisional decision, but Mr S did. He disagreed and said TSB gave incorrect information when it said the second indemnity couldn't be processed when it ultimately was. And he also said TSB said it hadn't refunded under the indemnity when it had, showing a lack of control or ownership of the issue.

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've taken into account Mr S's response to my provisional decision, but his comments haven't changed my mind and so I'm still not upholding this complaint.

The basic reasoning remains unchanged from what I've said above and so I don't intend to repeat it. Banking is unfortunately not always a completely trouble-free experience, and mistakes and errors do occur. What I must consider is whether the issues here are more than the everyday errors which we might expect to come across from time to time.

Mr S gave TSB two different dates for the cancellation of his direct debit to the energy company. And that's why TSB had to carry out further checks before issuing a refund. The checks caused the delay not poor service. I think the timescales it operated to were reasonable and so I don't think TSB needs to compensate Mr S for the delay.

I appreciate Mr S feels TSB "changed its story" during the course of his complaint and the subsequent investigation by the Financial Ombudsman Service. But I don't think that means TSB should have to pay additional compensation. I'd only come to that conclusion if I felt TSB had caused Mr S distress and inconvenience. And I don't think the inconvenience caused justifies more than the apology and £25 which has already been given and paid.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 6 January 2026.

Stephen Farmer
Ombudsman