

The complaint

The estate of Mr H complains TSB Bank plc failed to stop direct debit transactions from debiting Mr H's account following being informed of Mr H's passing.

The estate of Mr H is represented by an executor, Mrs H.

What happened

I previously issued my provisional decision on this case because I wanted to give both parties the chance to respond with any additional comments they wanted me to consider before coming to my final decision. I have copied my provisional decision below, which forms part of this final decision.

"Mrs H contacted TSB on 19 September 2023 to inform it of Mr H's passing. TSB explained how Mrs H could register the death online – but as Mrs H was having some issues she requested a hard copy of the bereavement form to complete. This was provided by TSB.

TSB wrote to Mrs H on 25 September 2025, it said Mr H's sole accounts had been frozen. It also requested the death certificate, so it could provide further information. Mrs H wasn't able to provide this immediately.

In October 2023 Mrs H noticed payment still being made from the late Mr H's account. She contacted TSB and complained about this – she said she was told the accounts had been frozen and wasn't expecting any payments to be taken from the accounts. She also complained about a cheque made payable to Mr H by a third party – she says this was returned to TSB but it's not re-issued the cheque to the executor.

On 27 October 2023 TSB applied a deceased block to the accounts. Mrs H provided the bereavement form and death certificate in November 2023.

TSB upheld the complaint and offered £100 for any inconvenience caused – it didn't refund the payments taken from the estate of Mr H's account. Mrs H remained unhappy on behalf of the estate of Mr H so referred her complaint to this service.

Our Investigator considered the complaint, she asked for TSB for information on why the payments went out of the account if it had been frozen. TSB responded to say it didn't consider the account blocked until it had received the death certificate and because this wasn't received until November 2023 the account wasn't frozen until then. TSB said that it will usually only place a block on the account once it has seen the death certificate.

The investigator felt TSB could have been clearer in its correspondence with the estate of Mr H but didn't make a further award for the payments as she felt these were more contractual disputes. She also said that as there was no evidence of a cheque, she couldn't ask TSB to do anything further on this issue either.

Mrs H, on behalf of the estate of Mr H, remained unhappy so asked for an ombudsman to make a final decision, so the complaint has been passed to me to decide.

What I've provisionally 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 intend to uphold this complaint. I'll explain why.

TSB has told us that it is unable to freeze or block an account until it received the death certificate. It says Mrs H didn't provide this when she initially contacted it to notify it of Mr H's passing. So as this was only provided in November 2024 it doesn't think it has acted unfairly in not refunding the direct debit payments.

However I disagree, I say this because TSB has provided us a copy of its internal policy on reporting a customer's death, the policy states on receiving "notification of death via Docugigm/Mopinon/Life Ledger still block even if death cert not received". TSB's internal notes show Mrs H notified it of Mr H's death via Mopinon so according to its own policy the account should have been blocked.

To this end the letter sent to Mrs H on 25 September 2023 also indicated that the account had been blocked – the letter did ask for the death certificate but nothing in the letter suggested that the late Mr H's account would not be blocked without the death certificate.

Furthermore TSB then went on to block the account on 27 October 2023 – at this point no death certificate had been received so I'm not persuaded that TSB needed the death certificate under its own policy to block the payments from the accounts. I'm satisfied TSB had notification of Mr H's passing when Mrs H contacted it on 19 September 2023.

Under the Payment Services Regulations (PSRs) the payment service provider must ensure the transactions are authorised, after death, the original authorisation ceases because the payer is no longer legally capable of giving consent. So looking at the circumstances of the complaint while the direct debits were authorised by Mr H the effect of his death means his legal capacity ended, so the authorisation he gave would no longer be valid.

So accordingly, any direct debit taken after TSB was aware of the death would likely be considered unauthorised. I've already set out that I'm satisfied TSB were notified of Mr H's death on 19 September 2023 so I currently think any payments made after this date should not have been completed, and so the estate of Mr H has suffered a loss.

I've also considered Mrs H's concerns about the cheque which she says she sent to TSB – as there is no evidence of this cheque being sent to TSB or of TSB issuing it from any of the late Mr H's account I don't think I can fairly ask TSB to do anything further with regards to the cheque.

In the circumstances of this complaint, I consider it would be fair and reasonable for TSB to pay Mr H's estate the balance on the accounts as it was on 19 September 2023, the date it was notified of the death, with interest at 8% simple from that date until date of settlement, to reflect that the estate has been deprived of those funds."

Mrs H, on behalf of the estate of Mr H, didn't respond directly to my provisional decision to say if she had anything to add or not, so I've assumed that she hasn't.

TSB responded but had nothing further to add.

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.

As nothing more has been received from either party I see no reason to change my provisional decision and so it becomes my final decision.

Putting things right

TSB Bank plc should:

- Pay Mr H's estate the balance of his sole accounts on the date it was informed of his death.
- Pay 8% simple interest* per year from the date it was notified of Mr H's death until date of settlement.

*If TSB Bank plc considers that it's required by HM Revenue & Customs (HMRC) to deduct tax from that simple interest, it should tell the estate of Mr H how much tax it's taken off. It should also give the estate of Mr H a tax deduction certificate if it asks for one. The estate of Mr H may be able to reclaim the tax from HMRC.

My final decision

For the reasons mentioned above I uphold the estate of Mr H's complaint.

TSB Bank plc should put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr H to accept or reject my decision before 13 January 2026.

Jag Dhuphar
Ombudsman