

## The complaint

Mr Y complains that TSB Bank plc sent him confirmation his account had closed but nothing about his complaint. TSB then sent a response to an unrelated complaint.

## What happened

Mr Y said he contacted TSB's Live Chat on 29 August 2025 to close his account, but the agent didn't know what they were doing. Mr Y complained without response. Two days later he received email confirmation that the account had closed, but nothing about his complaint.

After about a month, Mr Y logged a complaint online and said TSB sent him a response to an unrelated complaint. Mr Y said he spent several weeks calling TSB to find answers, wasting time and not receiving call backs. He said TSB told him his complaint would include customer service issues, but on a later call it couldn't locate his complaint.

TSB responded to Mr Y by letter of 19 August, and by email and letter on 29 September and sent its resolution letter on 24 October 2025. The former addressed issues Mr Y hadn't raised and the latter confirmed closure of the complaint by agreement. TSB told Mr Y it had made an error in addressing the wrong complaint and offered £50 compensation.

Mr Y said he didn't receive TSB's response to his complaint and at no point did he accept his complaint was resolved. Mr Y said the compensation was not enough. Mr Y referred his complaint to our service and said he had suffered huge stress and lost time chasing the complaint. He wants the complaint issues addressed and more compensation.

TSB increased the compensation to £150. Mr Y rejected the offer and said this has dragged on for a year due to TSB's obstruction. He said TSB ignored his complaint for months and its initial offer of £50 was not made in good faith. He said he would accept £300 compensation.

Our investigator said the main issues relate to the handling of Mr Y's complaint, and this isn't something we can consider. The rules that we must follow state that we can consider a complaint if the business is carrying out a regulated activity. Complaint handling is not a regulated activity and so any related complaint wouldn't fall within our service's jurisdiction.

The investigator said we can only consider the account closure. Mr Y was passed between agents on the Live Chat but an hour was reasonable to close the account. She said Mr Y's complaint wasn't actioned but he didn't respond to TSB's request for details on 1 September. She said £150 compensation is more than sufficient for the inconvenience caused.

Mr Y requested an ombudsman review his complaint. He said closure of his account meant he hadn't received messages from the Live Chat or TSB's response. TSB prevented him from logging a complaint and intentionally delayed its response stopping him from escalating for months. And then TSB erroneously stated the complaint was resolved as agreed.

Mr Y said he was promised multiple callbacks that didn't materialise and meant he had to constantly chase TSB. He said TSB's move from a 'maximum' £50 to £150 only after our service's intervention proves their internal process was not aimed at a fair resolution.

## 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 Y has complained about our service's handling of his complaint and this has been addressed separately.

### TSB's complaint handling

Mr Y closed his account online. He was unhappy with how long TSB's Live Chat took and wanted to raise a complaint. I can see from the records that TSB failed to record or action Mr Y's complaint at first and followed this with other customer service failures. Mr Y described the problems he experienced when attempting to get an answer to his complaint from TSB. And said it should not have misrepresented his complaint by sending him a Summary Resolution Communication when his complaint had not been resolved.

Mr Y asks us to consider his complaint about the poor handling of his complaint to TSB. He said this is, *'not a simple complaint about a bad live chat. It is about a year-long campaign of obstruction, the active blocking of my right to reach the Ombudsman via the withholding of an FRL, and the provision of misleading information to your service'*.

I can see that Mr Y experienced inconvenience through the way his complaint was handled by TSB, and this clearly caused him frustration and upset. I can appreciate his unhappiness with the many follow up calls and lack of call backs and time taken. However, as complaint handling is not a regulated activity, we are unable to consider this issue or award compensation when that is the primary thing that the business has done wrong.

The Financial Conduct Authority (FCA) sets out guidelines for business in handling complaints. Our role is to look at the circumstances of an individual complaint involving regulated activities to decide if a business has acted unfairly.

In reaching the decision that we cannot consider the main part of Mr Y's complaint I have taken account of the limits that are set for us by the FCA. The FCA's Dispute Resolution (DISP) rules outline what activities fall within our service's jurisdiction (DISP 2.3). Complaint handling and/or customer service is not one of the activities listed as a regulated activity and so we cannot consider complaints about complaint handling. DISP 2.3.1 explains that our service can consider a complaint if the business is carrying out a regulated activity.

And so, it follows that although I am critical of TSB's actions and inactions towards Mr Y's complaint our service cannot tell a business how to operate its complaint handling process. This means that we cannot take Mr Y's complaint about this issue any further.

### Account closure

The closure of an account is a regulated activity and one that our service can consider. To be clear, my consideration is limited to the original issue that occurred during the Live Chat, and which was the subject of Mr Y's initial complaint.

It is always regrettable when we see a relatively simple process such as the closure of an account cause difficulties to a consumer. It's our role to identify if a business has made a mistake and if so, look at the impact this has had on the consumer.

I have looked carefully at the Live Chat records and can see that when Mr Y closed his account the chat took 58 minutes with several agents involved. Mr Y said he didn't know if his account had been closed but he did realise his previously made complaint about this hadn't been actioned.

Ideally the account would have been closed more quickly but I agree with the investigator that overall, the time taken was reasonable. The chat also clearly showed the account had been closed, *'we'll close your account(s) in 2-3 working days. We'll also send you a letter to let you know it's done.'* Mr Y didn't receive confirmation.

TSB initially paid £50, for the service issues Mr Y experienced when his account closed, and subsequent to referral to our service increased this to £150. TSB said this was because its response letter was not clear that Mr Y's complaint point had not been upheld. Businesses are encouraged to review their responses to complaints when referred to our service and may offer increased compensation if they think that would be fair.

### **Putting things right**

Matters of compensation for distress and inconvenience can be subjective. While an amount considered fair by one person may not be considered such by someone else. The investigator thought that TSB's increased offer of £150 was very fair for the distress and inconvenience caused to Mr Y, although Mr Y did not. Having thought carefully about this, I think this amount fairly reflects the distress and inconvenience caused to Mr Y concerning the closure of his account and it follows that it wouldn't be fair for me to require this to be increased.

### **My final decision**

For the reasons I have given it is my final decision that Mr Y's complaint about his account not being closed during his Live Chat conversation is upheld. If it hasn't already paid the compensation to Mr Y, and Mr Y accepts this decision, TSB Bank plc should pay him a total of £150 compensation for his distress and inconvenience.

It is also my decision that Mr Y's complaint about TSB Bank plc's handling of his complaint is not one that we can consider, and it is dismissed without consideration of the merits.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 11 May 2026.

Andrew Fraser  
**Ombudsman**