

The complaint

Mr W complains that TSB Bank plc blocked his account, causing him inconvenience and embarrassment.

What happened

On 3 September 2025 Mr W opened an account online with TSB. He was briefly able to use it without any issue.

On 13 September, 2025, however, Mr W tried unsuccessfully to make a card payment. When he contacted TSB, it explained to Mr W that it needed to complete its secondary checks and that he would need to provide proof of identity. He submitted the necessary documents the same day – a Saturday.

TSB says that it was unable to deal with the identity checks immediately, but that they were completed on 16 September and that the account block was lifted on 17 September 2025.

Mr W complained about what had happened, first to the bank and then to this service. One of our investigators considered what had happened and, in a preliminary assessment, recommended that TSB pay Mr W £150 in recognition of the inconvenience to which he had been put and the distress he had suffered.

Mr W accepted the investigator's recommendation, but TSB did not. It asked that an ombudsman review the complaint.

I did that and, because I thought it likely that I would reach a different conclusion from that reached by the investigator, issued a provisional decision. In that decision, I said:

When opening a new account, banks must carry out certain checks on their customers. They also have obligations to ensure that the information they hold is accurate and up to date. TSB therefore had to check Mr W's identification documents.

When checking those documents, I do not believe it was unreasonable of TSB to restrict Mr W's account. That is not an unusual step to take when checks are made – whether those checks are made when an account is opened or later in its life.

We do however expect checks to be completed within a reasonable time. In this case, documents were submitted on a Saturday afternoon, and restrictions on the account were lifted the following Wednesday. Whilst I can understand that it was inconvenient for Mr W not to have access to his account for four full days, I do not believe the time which TSB took to complete its checks was unreasonable.

I accept too that it was frustrating for Mr W to have the account restricted after he had been able to use it. Had the account not been made active in the first place, he might have arranged things differently – perhaps by using a different account until it was fully operative. However, that would have delayed the account opening, which itself would have caused some inconvenience.

I think it was primarily for TSB to decide – as a matter of its commercial judgment – whether to carry out secondary checks after the account was opened or to delay account opening until all checks were complete. In saying that, I have in mind that the second option might take longer than the 7-day process set out in the Current Account Switch Guarantee.

I accept that Mr W was put to some inconvenience. Whilst that was unfortunate, I don't believe I can fairly say that it was because of any error on the part of TSB.

Mr W did not accept my provisional conclusions. He said that he had changed banks in the past without experiencing similar issues. He thought that identification checks should have been completed before the account was opened. He said too that TSB had explained that it had a backlog, so opened the account and completed its checks later. Mr W did not think he should be disadvantaged because TSB had a backlog. And the matter was only resolved because he had to chase the bank. Mr W asked that I review the matter.

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 can understand Mr W's frustration here. The Current Account Switch Service is intended to make it easy for customers to switch accounts and includes a guarantee that the process will take no longer than seven days. Mr W was able to use the account and so would reasonably have thought that the switch process had been completed on or before 12 September 2025.

I can understand too that it might have been preferable for Mr W to have waited until all the checks were complete before the account was open at all. I do not believe however that I can properly say that that is what the bank should have done. As I indicated in my provisional decision, I think it was Lloyds to decide whether it needed to complete further checks. And, having decided that it did, I do not believe that the bank delayed their completion unreasonably.

My final decision

For these reasons, my final decision is that I do not uphold Mr W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 12 May 2026.

Mike Ingram
Ombudsman