

The complaint

C, which brings this complaint as a partnership, complains about matters relating to Know Your Business (KYB) checks by TSB Bank plc.

What happened

The circumstances of this complaint are well known to both parties, so I won't describe them in great detail here. Instead, I'll mention the key elements before giving my decision on the matter.

C received what it describes as an 'inadequately addressed letter', in relation to its account with TSB, which the postman delivered despite the address issues. The letter claimed two previous items of correspondence had been sent (which C says it hadn't seen), and asked C to provide updated information regarding its business. It required action from C before a deadline, which C met.

C received another request for information around three months later, and a further request for more information around three months after that. It was at this point that C complained to TSB – though it still complied with TSB's requests.

C notes TSB's overall tone, and strongly objects to its threats to block the account upon non-receipt of the information TSB asked for.

TSB didn't uphold C's complaint, nor did our Investigator upon his review.

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 won't be upholding this complaint. I realise this outcome will not be the one C was hoping for, so I've set out my reasoning below.

I should first mention that my role here is to think about the individual circumstances of this complaint and decide whether TSB did something wrong which caused C to lose out. For the reasons I've given below, I don't think it did. I therefore don't think it would be fair to direct TSB to do anything in relation to the matters this decision covers.

I've summarised this complaint in less detail than C and have concentrated on what I consider to be the key issues. The rules that govern this service allow me to do so, but this doesn't mean that I've not considered everything that both parties have given to me. I've read and considered the whole file, but I'll keep my comments to what I think is relevant. If I don't comment on a specific point, it's not because I haven't considered it but because I don't think I need to comment on it in order to reach the right outcome.

Financial businesses are generally allowed to take steps to protect their customers – and themselves – from the effects of fraud and financial crime. They have regulatory obligations they must adhere to in this regard, which sometimes require them to review their customers'

accounts, request further information in relation to those accounts, and advise they will restrict the accounts in some way should the information not be provided. This is what has happened in C's case and, given TSB's obligations, I don't think there's anything inherently unfair about such requests, or in it setting out the consequences of not providing the required information.

C said it strongly objects to TSB's threat to block its account. While I understand the concerns it raises, it's important that customers such as C take these requests seriously, and understand the consequences of not providing the information requested now, or in the future, in time – or at all.

C questions why TSB didn't request all of the information it required at once. While I appreciate C's point here, it can't always be apparent to a firm what additional information might be needed until it receives the documents it has asked for, or its customer confirms it can't provide certain documents. As noted by the Investigator, it isn't for our service to direct the cadence by which a firm makes its KYB requests – provided its requests are reasonable and fair. I've seen no evidence to persuade me TSB's requests were unreasonable or unfair, and so I don't uphold this point.

C complains about the address used by TSB to send its letters, stating two items of correspondence were not received. But I've not been presented with any evidence which persuades me there has been material loss as a result of how TSB corresponded with C. But even if there was, I'm mindful that C was able to act on TSB's requests, and did so. Therefore, I won't be directing TSB to do anything in relation to this point.

So while I understand why C is unhappy with the matters covered by this decision, from the evidence I've been presented with, I haven't identified any failing on TSB's part which has caused C to materially lose out. That isn't to say I don't recognise the frustration experienced by C's representatives. But I don't consider the majority of this frustration to be as a result of something TSB did wrong. And where C points to mistakes made by TSB, I've seen no evidence of impact great enough to warrant compensation or other remedial action.

My final decision

My final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask C to accept or reject my decision before 13 May 2026.

James Akehurst
Ombudsman