

complaint

Mr E complains about charges TSB Bank plc ("TSB") applied to his account.

background

Mr E is unhappy with charges on his current account since 2011. He doesn't think they were correctly applied. He believes they caused him financial difficulties as they led to further charges, and some of the returned direct debit fees were applied before payments were returned unpaid.

Our adjudicator looked at Mr E's complaint and she didn't think TSB had done anything wrong. She said the Supreme Court had already found that charges can't be challenged on the basis they're too high or unfair. She also noted that TSB wasn't told about potential financial difficulties, so that wasn't a factor for consideration.

However, TSB did agree to pay Mr E £50 as it hadn't dealt with his complaint well, which she thought was fair.

Mr E disagreed. He thought the offer didn't fairly reflect the difficult situation he'd found himself in, and asked for it to be looked at by an ombudsman.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Mr E's made it clear he thinks TSB knew, or should have known, he was in financial difficulty. And he thinks he should receive a larger payment as a result.

Whilst default charges can be an indicator of financial difficulties, this isn't always the case. I've looked at the statements for Mr E's account and I'm afraid I don't agree TSB should have become aware of potential difficulties. I also haven't seen anything that suggests they weren't correctly applied.

Mr E did incur some charges, but his account was generally maintained with a credit balance. When he did go overdrawn he was able to correct the situation without TSB's assistance. So without being specifically told help was needed, I can't say TSB should have been expected to help Mr E.

I understand Mr E's account is now closed. TSB's obligations to treat its customers in financial difficulties only extends as far as the banking relationship it has with them. It isn't expected to help a customer pay a debt owed to someone else, or to provide ongoing support after the banking relationship has come to an end. So I wouldn't expect it to take any action unless Mr E enters a new relationship with it and again goes through a period of financial hardship.

TSB has acknowledged it didn't deal with Mr E's complaint as quickly as it should have done. It's offered to pay him £50 to put this right, which in the circumstances I think is fair.

my final decision

My final decision is that to put things right TSB Bank plc should pay Mr E £50.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 11 April 2016.

Ashley L B More
ombudsman