

The complaint

Mrs W complains that TSB Bank plc provided incorrect information about transferring funds using an Additional Personal Subscription (APS) into an Individual Savings Account and provided a poor level of service when she attended an appointment in branch.

What happened

When Mrs W's late husband passed, he held funds with an ISA. Mrs W wanted to use an APS to make use of the late Mr W's ISA allowance. Mrs W and her daughter-in-law first visited a TSB branch in early May 2023 and made an appointment to meet with a member of staff the following day at the same branch. In the appointment TSB completed a review of Mrs W's circumstances and told Mrs W that she couldn't use an APS if the late Mr W's ISA had been closed. Mrs W and her daughter-in-law said this was incorrect, and TSB said it would check the procedures and processes for an APS and offered a further appointment. As this was unsuitable for Mrs W and her daughter-in-law, TSB said it would call Mrs W back to confirm what could be done. TSB called back when it had confirmed Mrs W could complete an APS application to use the late Mr W's ISA allowance without the need for funds to be transferred from an existing ISA. TSB told Mrs W that she would need to book a further appointments in the branch to complete the ISA application and complete the APS forms TSB required.

Mrs W's daughter-in-law, as Mrs W's representative, complained to TSB that it had been unprofessional and rude, and had provided incorrect information about whether Mrs W could use an APS. Mrs W's representative said the service Mrs W experienced left her upset and she had made the decision to invest her money elsewhere.

TSB accepted that it had provided a poor service to Mrs W. TSB apologised for the poor experience Mrs W had when she attended the branch, for the meeting starting later than planned, and that computer system problems at the branch had added to Mrs W's upset.

TSB accepted it initially provided incorrect advice that only funds from an existing ISA could be moved into Mrs W's ISA using an APS and that the member of staff who met Mrs W was confused about its current ISA rates and products. TSB offered to arrange for a manager to speak with Mrs W and to arrange appointment at a branch to finalise the matter. TSB also agreed with Mrs W that it hadn't shown much empathy for Mrs W's during what was a tough time for her. In addition to an apology, TSB offered to pay Mrs W £150 to reflect the poor service it had provided.

Mrs W's representative brought the complaint to the Financial Ombudsman Service and one of our Investigators looked into things. The Investigator felt that the £150 TSB had offered Mrs W was a fair outcome in the circumstances of this complaint. Mrs W's representative asked that an Ombudsman decides the complaint.

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.

The role of the Financial Ombudsman Service is to informally investigate complaints from consumers about the service a regulated business has provided. The Financial Ombudsman Service doesn't regulate TSB and can't ask TSB to change its procedures – that is a role for TSB's regulator the Financial Conduct Authority. However, what I can do is make a decision on whether TSB has provided a poor service in Mrs W's case and consider what would be a reasonable remedy if it did.

In this case, TSB accepts it provided a poor service to Mrs W. It agrees that Mrs W's experience when waiting in the branch upset her, that information about ISA rates and products provided in its initial meeting was incorrect, that it incorrectly told Mrs W only existing ISA funds could be transferred using an APS, and that it showed a lack of empathy towards Mrs W's personal circumstances at the time.

I'm satisfied that TSB has identified the poor level of service it provided Mrs W, so I'm not required to make such a finding. However, I can make a decision on whether or not the apology and remedy TSB offered in its final response to the complaint was a fair and reasonable one. I understand Mrs W and her representative will be disappointed, but I've decided that TSB's apology and offer of £150 for the upset the poor service caused Mrs W is a fair and reasonable one in the circumstances of the complaint. I will now explain why.

I've taken into account the overall impact the poor service had on Mrs W. At the Financial Ombudsman Service, we don't look at each element to a service complaint, instead we consider the overall impact any poor service had on a consumer. This means we don't consider a separate remedy for each element of poor service – we consider the impact of the poor service as a whole. Further information about what we take into account can be found on our website: www.financial-ombudsman.org.uk/consumers/expect/compensation-for-distress-or-inconvenience

In this case, I've taken into account that the service TSB provided – from attending the branch to make an appointment, to the offer to arrange a telephone call with a manager to discuss the process for the APS and movement of funds – and I'm satisfied the remedy of £150, the offer to speak with a branch manager to complete the movement of funds and the apology for the poor level of service Mrs W suffered at the branch, is a fair and reasonable one. I've decided this reflects Mrs W was upset by the process TSB followed, that she spent time waiting for her appointment to start and that TSB caused her inconvenience when it provided incorrect information. It also reflects that TSB didn't take into account the personal circumstances of Mrs W at the time. The upset and inconvenience TSB's poor service caused Mrs W lasted a brief time - a matter of weeks rather than months - therefore, my final decision is that TSB should pay Mrs W £150 to resolve the complaint.

I understand that Mrs W's daughter-in-law accompanied Mrs W at the branch visits and is Mrs W's representative in this complaint. Representatives, both personal and professional, aren't eligible complainants – and so we can't award for any impact experienced by them personally.

Mrs W's representative has expressed a strong view that TSB didn't deal with the complaint as well as it should. I can see that TSB issued two final responses, so I have empathy with Mrs W's representative here. However, the Financial Conduct Authority Handbook explains that an Ombudsman can only consider a complaint under the Compulsory Jurisdiction if it relates to an act or omission by a firm in carrying on one or more of the regulated or other covered activities, or any ancillary activity carried on by the firm in connection with them. The Handbook goes on to explain what a regulated activity is, and as this doesn't include complaint handling, I'm not able to consider this aspect of the complaint.

My final decision

TSB Bank plc has already made an offer to pay £150 to settle the complaint, and I've decided this offer is fair in all the circumstances. So, my decision is that TSB Bank plc should pay Mrs W £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 14 February 2024.

Paul Lawton
Ombudsman