

The complaint

Mrs J complains about delays and poor service when trying to access funds saved in her passbook account with TSB Bank plc.

What happened

Mrs J had a passbook savings account with TSB that had a balance of around £101,000 in November 2022. Mrs J's explained that she wanted to move her funds to a new account with a different business. But the passbook account could only be used to make transfers to other TSB accounts or to withdraw cash.

With the help of her son in law (Mr W), Mrs J opened two new accounts with TSB online. TSB's explained that due to slight variations with the personal information that was used when opening the new accounts it was unable to identify Mrs J. TSB asked Mrs J to either submit documents online or in branch to verify her identity. But when Mrs J visited the branch, TSB says the details in the identification provided didn't match those included in her applications.

On 9 January 2023, Mrs J went on to submit identification online with the assistance of Mr W. TSB says the identification was accepted but that it didn't hear back from Mrs J until 23 January 2023 when she advised the new accounts still weren't showing on her online banking profile. TSB says it reviewed Mrs J's accounts and amended her address so that variations used between them matched. But the merge process didn't complete within the nine-working day timescale TSB says it normally aims for.

On 6 February 2023 TSB says it reviewed Mrs J's accounts and profiles again and found her place of birth and marital status didn't match. TSB says it amended those details to ensure they were the same which allowed the profiles to successfully merge. TSB's confirmed Mrs J's profiles were merged on 15 February 2023 and, from that point, she was able to complete transfers between her passbook and new account.

Mrs J complained to TSB and it issued a final response on 18 February 2023. TSB said issues Mrs J had experienced were caused as she had two separate profiles that needed to be merged. TSB apologised for the delay in linking Mrs J's profiles and offered her £50 for the distress and inconvenience caused.

Mr W referred Mrs J's complaint to this service and it was passed to an investigator. In his submission, Mr W said he'd had tried to call Mrs J's local branch on numerous occasions and visited only to find it closed. Mr W explained that he thinks TSB should pay interest to reflect Mrs J's losses caused by the delay in merging her profiles and transferring funds. The investigator thought TSB's existing offer was a fair way to resolve Mrs J's complaint and didn't ask it to take any further action. Mr W asked to appeal Mrs J's complaint, so it's been passed to me to make a decision.

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'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

I can see Mrs J was a longstanding customer of TSB when she applied for new accounts at the end of last year. The account application process took place online which meant Mrs J, or her representatives, input the information TSB used when processing it. TSB's explained that there were differences between the personal information Mrs J had recorded on her existing accounts and the new details she provided. As a result, Mrs J was asked to supply identification. TSB's added that because of the differences in personal information between the old and new accounts, a second customer profile for her was created instead of linking the new accounts to her existing profile. That meant Mrs J wasn't immediately able to transfer funds between her new and old accounts.

I appreciate that may feel like a minor issue, but TSB's explained that differences of that nature cause significant systems problems. I'm satisfied that the differing details between the old and new accounts meant that TSB's systems created a new profile for Mrs J which, in turn, meant her accounts weren't immediately linked. I haven't been persuaded that it was errors by TSB that led to the second profile being created for Mrs J.

The differences between information provided took some time to resolve. I can see that Mrs J submitted identification online that was accepted by TSB on 9 January 2023. Mrs J's address was amended but the account merge didn't take place. A follow up letter was then sent to TSB on 23 January 2023 and it looked at Mrs J's profiles again. It was at that point that further differences, between Mrs J's place of birth and marital status, were identified. TSB amended those details on 7 February 2023 and Mrs J's profiles were fully merged on 15 February 2023 meaning she could transfer funds between her accounts.

In response to the investigator, Mr W said that Mrs J's place of birth and marital status were correctly recorded in the application and noted she'd been widowed. Whilst I understand that would've caused a difference between in the marital status, I don't see how that would've caused an issue with Mrs J's place of birth. I've checked the relevant systems notes and can see it was on 7 February 2023 that the differences noted above were identified and amended.

I agree there were some delays by TSB in this case. But I have to be fair to both parties. And I think it's fair to say that the reason a second profile was created instead of linking the new accounts to Mrs J's existing profile was due to inconsistencies between the personal information provided in the application and her existing accounts. If the information had matched, I'm satisfied TSB's normal application process would've linked Mrs J's new accounts to her existing profile at the point of opening and most likely avoided the delays she experienced.

Once TSB identified the differences between Mrs J's place of birth and marital status between the old and new profiles on 7 February 2023 the merge process began. TSB's advised this normally takes nine working days. Mrs J's profiles were merged on 15 February 2023 which is within that time frame.

In the complaint submission, Mr W explained he'd attempted to call and visit Mrs J's local branch on numerous occasions but was unable to speak with anyone. I don't doubt this caused Mr W inconvenience. But our rules only allow me to award compensation to a customer for the distress and inconvenience caused by a business' actions. Here, Mr W was acting on Mrs J's behalf. There's no provision in the rules that allows me to compensate Mr W for the distress or inconvenience caused when acting on Mrs J's behalf.

I've read and considered all the available evidence. Having done so, I'm satisfied that TSB's offer of £50 to resolve Mrs J's complaint is fair and reasonable in all the circumstances. As I'm satisfied TSB has resolved the underlying issue and already made a fair offer to resolve Mrs J's complaint I'm not telling it to do anything else.

My final decision

My decision is that TSB Bank plc has already agreed a settlement that is fair and reasonable in all the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 26 February 2024.

Marco Manente
Ombudsman