

The complaint

Mr M has complained about the service he received from TSB Bank plc after he switched his current account to it.

What happened

Mr M switched his current account to TSB in February 2023. He was incentivised to do so by a cash back offer which was subject to various terms and conditions. In particular, he had to switch a certain number of direct debits to the new account and make a certain number of contactless transactions. The account also paid £5 per calendar month for an initial period provided there were 20 debit card transactions a month.

Mr M phoned TSB several times to check the interpretation of the terms and conditions. He feels he was given incorrect and conflicting information. He also had problems using his debit card for the first time.

He complained to TSB about the following issues:

- In one phone call TSB addressed him by name without confirming his identity first which he thought indicated a data breach.
- The terms and conditions on TSB's website were misleading.
- He saw a link to activate his card online but was later told this wasn't necessary.
- TSB's call handlers gave him conflicting information.
- One call handler hung up on him.
- He had a receipt confirming a failed debit card transaction which TSB couldn't see on his account.
- He had received an email advising him he needed to do 30 debit card transactions a month to qualify for the cashback when the terms and conditions referred to 20 transactions.
- He was unhappy with the way it handled his complaints.

TSB made the following points in response:

- It explained that part of its identification process checks a caller's number and in Mr M's case it linked the call to him, so that it was able to use his name without further verification.
- It didn't agree that its terms and conditions were misleading.
- His debit card was ready to use when it had been sent to him but he would have to enter his pin for the first transaction. The complaint handler wasn't aware of the link Mr M had seen to activate his card but said they'd be happy to review this further if Mr M could provide evidence of the link.
- It didn't agree that its call handlers had given misleading information.
- It said a line had disconnected at the bank's end during one call and apologised for this.
- It said it couldn't see the declined transaction that Mr M has complained about.
- It apologised for an error in an email which referred to the need for 30 transactions a month to qualify for the cash back offer and said the terms and conditions correctly

- referred to 20 transactions.
- It said his complaint had been looked into thoroughly.

After Mr M referred his complaint to this service, TSB offered him £50 compensation. He didn't accept this. Our Investigator upheld his complaint and recommended that TSB should pay him £100 compensation in total for the trouble and upset it had caused him. As Mr M didn't agree, the matter has been passed to me.

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.

In particular, I have listened to recordings of Mr M's calls with TSB and also with this service outlining his complaint.

I can't see that there was a breach of data protection when TSB addressed Mr M by name at the start of a telephone call. But ultimately breaches of data protection legislation are best dealt with by the Information Commissioner rather than this service.

We are an informal dispute resolution service. Our duty is to resolve complaints based on what we think is fair and reasonable in all the circumstances of the case. I will concentrate on what I see as the crux of the complaint.

Understandably Mr M was concerned to ensure that he complied with the terms of the cash back offer. Having reviewed the terms and conditions and listened to how they were explained to Mr M, I don't agree that they were misleading.

TSB has explained that Mr M was sent an out-of-date email confirming that 30 debit card transactions a month were needed for the cashback offer when that number had recently been reduced to 20. That was an unfortunate mistake on its part but I note the terms had been changed in a way that was advantageous to Mr M and the confusion was cleared up at an early stage.

I can see it must have been frustrating for Mr M not to be able to use his new debit card without some initial problems. Mr M isn't convinced by TSB's explanation as he says he has a receipt for the failed debit card transaction that he complained about. It's not entirely clear to me what happened but I'll take into account the stress that Mr M suffered when looking at compensation. Fortunately he had no problem using his debit card later and I note he managed to earn the cashback.

TSB apologised for the fact that a call to Mr M was disconnected. That would have been annoying. Again I'll take that into consideration when awarding compensation.

As our Investigator explained, complaint handling isn't a regulated activity and so it's outside the jurisdiction of this service. That means I can't consider what Mr M has said about the way TSB handled his complaint.

Although TSB could have handled things better in some respects, I can't see that Mr M lost out on the benefits of his new account as a result. So the only matter remaining for me to determine is how much Mr M should fairly receive for the trouble and upset he suffered.

Calculating compensation in such situations isn't an exact science. Overall, taking into account the problems that occurred in this case, the impact on Mr M and the levels of compensation awarded by this service in complaints with similar circumstances, I think a

total of £100 compensation is reasonable. I appreciate that Mr M will be likely disappointed by this but I think it represents a fair resolution of his complaint.

My final decision

For the reasons given above, I uphold this complaint and require TSB Bank plc to pay Mr M £100 compensation for the trouble and upset it caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 June 2024.

Elizabeth Grant
Ombudsman