

The complaint

Mrs F says her bank card, and a number of replacements, provided by TSB Bank plc have failed to work in different ATMs.

What happened

Mrs F started having problems using her card to withdraw money from ATMs in May 2021. At times, in a range of ATMs, her card would not work. In July 2021 TSB looked into this and made a payment of £100 to recognise the inconvenience this had caused. But it seems the issue was not thoroughly investigated and resolved as subsequent cards also failed to work. When this happened replacements were ordered.

The problem continued and when another replacement card was ordered in January 2022 we arranged for Mrs F to meet with TSB and try the new card together in a branch. The problem remained as whilst Mrs F's new card worked in some devices at the bank, it was rejected by the ATM outside the branch. This allowed TSB to conclude that Mrs F's profile was working correctly, and the card was properly linked to her account – but it didn't identify, or explain to Mrs F, what the issue was. When our investigator issued his view Mrs F had been waiting for the branch to get back in touch for over three weeks.

Mrs F explained she has some mobility issues and having to travel by bus to her nearest branch (a more local one closed recently) is not easy for her. She wanted to be able to use her card in her local post office and it was being rejected there. The problem has also led to her having to postpone holidays and being stuck in places where the ATM would not work for her.

Our investigator recommend Mrs F's complaint should be upheld and she should receive an additional £100 compensation given how long the issue had now been ongoing. He said TSB had made a number of suggestions as to the cause of the problem, but it still seemed somewhat unresolved. So he also instructed TSB to work to ensure Mrs F's card was fully operational by 1 April 2022.

TSB disagreed with this assessment. It said £100 was the appropriate level of compensation. It could see an ATM only card was ordered in October 2021 that Mrs F used successfully at the post office, as was the replacement issued previously in August 2021 until it later stopped working. Similarly there are ATM transactions from different machines in December 2021 and January and February 2021. Its technical card team is satisfied the problems are not caused by TSB, but maybe are linked to how the card is stored/used. It said it would liaise with its card services team who could run checks on the card.

As an agreement wasn't reached the complaint was passed to me to make a final 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.

It is not in dispute that Mrs F's card facilities have not been working consistently as she is entitled to expect. And it still seems TSB has not completed an exhaustive investigation that has found the root cause(s). In response to the investigators' assessment it referenced checks that could be done but it has failed to respond to the investigator's follow up questions and correspondence about this.

However, given it seems that Mrs F is no longer having problems with her card – and hasn't for several months now - I don't think it is necessary to investigate further at present. If this changes, or isn't the case, TSB must promptly carry out the checks that it said its card services team could complete in its email of 28 February 2022.

With regards the compensation that remains in dispute, I find that a total payment of £200 is fair. To reach this conclusion I have considered the time the issue has gone on for and the impact it has had on Mrs F given her personal circumstances. TSB argues only the impact should be considered, not the customer's demographics but I disagree. We would always consider the individual circumstances of a customer as the impact of an event can vary significantly based on personal circumstances. In this case I think Mrs F endured a significant level of inconvenience over a number of months.

Putting things right

TSB should now pay Mrs F the additional £100 compensation.

My final decision

I am upholding Mrs F's complaint. TSB Bank plc must put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 2 August 2022.

Rebecca Connelley
Ombudsman