

The complaint

Mr S is unhappy that TSB Bank plc didn't inform him of all the options he had available when he made them aware of his gambling addiction while enquiring about applying gambling blocks to his account.

What happened

In September 2022, Mr S contacted TSB via their chat service at around 5am and asked if he could block gambling transactions. TSB didn't have any live agents available at the time as their opening hours are 8am to 5.30pm Monday to Friday excluding bank holidays. So, their smart agent which I'll refer to as a 'bot' tried to assist Mr S.

The bot didn't appear to understand Mr S's query and asked him to repeat it in a different way. Mr S responded a few times but each time, the bot struggled to understand the question and asked Mr S for more information or to say it in a different way. Eventually, Mr S stopped responding to the bot and the chat query timed out.

Mr S contacted TSB again in October 2022 using the chat service. He managed to get through to a live agent on this occasion. He explained he was unhappy that he asked to block gambling transactions in September 2022, but TSB didn't get back to him. He said he found the bot to be unhelpful and queried if the chat was monitored then why wasn't it passed to a live agent.

He explained he wanted to raise a complaint if a live agent saw his messages but ignored them. He felt TSB should've got back to him even if it was to tell him that they didn't have the facility to block gambling transactions and inform him that he could join GamStop. I understand Mr S had prior knowledge of GamStop before he contacted TSB in October 2022.

TSB explained that his conversation with the bot wasn't passed to a colleague. Unhappy with this, Mr S asked to complain. He felt this was really poor and said if TSB had given him information about GamStop weeks ago, he'd have probably saved himself a fortune. He thought TSB should be taking this more seriously. He explained the customer service from TSB wasn't great as they didn't do enough, despite him depositing and gambling large sums of money which he'd borrowed from his friends and family. He said he felt shattered and stressed out.

TSB apologised and explained that customers go through their bot to be passed to the correct department or to see if the query can be answered. They said that since Mr S didn't finish the conversation it went dormant and was closed. They said if Mr S had asked to speak to a colleague, their bot would've arranged to pass him to a colleague. They said Mr S could've also contacted them at any time from September either via the chat service or call centre.

Mr S said that he was struggling with stress due to gambling and he contacted the bank for help. He explained that the bot wasn't able to answer him despite him asking clear questions and providing perfect answers in response to the bot asking him to repeat himself in a

different way. He said the bot needs to be looked at as it asked him several times if his query related to blocking gambling transactions which he replied yes to, but it still responded asking him to say it in a different way.

TSB gave Mr S their final response letter. They explained that since Mr S didn't finish the conversation in September 2022 it went dormant and was then closed. They reiterated that if he'd asked to speak to a colleague, the bot would've arranged to pass his query to a colleague. They explained that adding a gambling block wasn't a service they offered at the time. They told Mr S that there were services available for him to contact and provided him with the details of Gamcare. They said they'd passed Mr S's comments regarding the bot to the relevant team to make improvements.

In February 2023, Mr S contacted TSB again via their chat service. Mr S wasn't happy with how he was treated when he contacted TSB previously in September and October 2022. He explained that as a vulnerable customer, he'd poured his heart out about his gambling problems and the mess his life was becoming but the response he received from TSB didn't seem like they cared. He said they didn't try to help him. He'd since gambled thousands more and attempted to end his life due to the debt he'd got into. He felt that if TSB had helped him, he wouldn't have found himself in this position. He said that TSB didn't mention to him that a cash card was an option available to him.

TSB responded to Mr S's message by informing him that they had recorded his complaint under a new reference and would contact him as soon as possible to address his concerns.

Mr S chased TSB for a response on 8 March 2023. He was informed that his complaint was still being looked into but was made aware that they'd now got the gambling block facility available. With Mr S's permission, the gambling blocks were applied to his account.

Mr S chased TSB again a few weeks later for an update on his complaint. TSB explained they'd made a mistake when they logged a new complaint when he contacted them in February 2023, so they'd voided it. They explained they should've added his concerns to his original complaint which they responded to in October 2022. Mr S was unhappy with the confusion caused and the time he'd wasted in waiting for TSB to look into his concerns.

TSB issued their revised final response letter on 17 April 2023. They apologised for the confusion around how Mr S's complaints were handled and credited £50 compensation to his account for the distress and inconvenience caused to him. They said that the gambling blocks feature was introduced on 9 February 2023, so it wasn't available when he complained in October 2022.

They confirmed the gambling blocks had been applied to his account on 8 March 2023 when he contacted them regarding his complaint. They told Mr S that he could request an Automated Teller Machine (ATM) card going forward instead of a debit card, but this would mean he could only take cash out of his account. They asked him to contact them if he felt this was a suitable option for him.

TSB made Mr S aware of the support he could receive from their Financial Support Services regarding the financial difficulties he was experiencing. They also told him about the website which had details of organisations that could help him with gambling.

Unhappy with their response, Mr S referred his complaint to our service. Our investigator asked TSB to pay Mr S an additional £150 compensation. She thought that TSB should've explained to Mr S when he contacted them in October 2022 that he could apply for an ATM card. This would've meant he'd have a better indication of the options he had available to him. And since Mr S wasn't informed of this until April 2023, she felt that further

compensation was due. She didn't ask TSB to refund the gambling transactions as she couldn't say for certain that an ATM card would've prevented Mr S from suffering gambling losses.

Mr S accepted our investigator's recommendation, but TSB disagreed and asked for an ombudsman to review the complaint. They explained that the most practical solution for Mr S was to register with GamStop as this would've prevented him from gambling further, but he didn't take their advice. So, they didn't agree that Mr S would've accepted their advice to cancel his debit card and replace it with an ATM card as this wouldn't have been practical nor prevented him from gambling.

They also said that Mr S had an external account and had made transfers to it. And an ATM card wouldn't have prevented him from continuing to make transfers to his external account which could've been used to gamble. They explained that Mr S could've also withdrawn cash with an ATM card and then used it to gamble.

They reiterated that registering with GamStop was the only way Mr S could've made any form of gambling impossible and he was informed of this. They said that since Mr S didn't register with GamStop it shows he had no intention of stopping to gamble at the time. They felt that our service had dismissed that this was the most practical solution and Mr S had ignored it.

They also said that they couldn't be sure that Mr S would've accepted an ATM card. They explained the fact that Mr S used online retailers and an ATM card would've prevented him from using these retailers. They also said that he didn't act on or accept the most practical advice to register with GamStop, indicating that Mr S would've been unlikely to have ordered an ATM card. They felt that Mr S could've requested an ATM card at any point, but he hadn't done so.

My provisional decision

I issued a provisional decision on 27 February 2024, and made the following findings:

"I've reviewed Mr S's chat transcript with the bot in September 2022, and I can understand his frustrations as the conversation was unproductive despite him being clear about the reason for his message and providing clear answers to the bot's question.

However, it's important to bear in mind that the bots are programmed to recognise certain phrases or words mentioned by the customer. Generally, the bot then either answers the query, redirects the customer to a webpage where further information can be found or passes the customer to correct department for help. But as I say, the bot can only take these steps if it recognises the words or phrases mentioned by the customer.

In this case, although Mr S was clear about his query, it appears TSB's bot wasn't programmed to recognise the words and phrases around blocking gambling transactions and kept asking Mr S to say it in a different way. When Mr S understandably was frustrated and stopped replying to the bot, the chat timed out, so his query wasn't passed to a colleague to respond.

Mr S contacted TSB outside the opening hours of when their live agents are available. I can see TSB clearly displayed the opening hours when their live agents are available as well as that of their call centres on their website.

I can also see that Mr S was previously made aware when he contacted the bot in August 2022 that live agents were available from 8am to 5.30pm Monday to Friday. And to speak to an agent, he should start the chat during those hours. He was also provided a phone number to contact between 8am to 8pm every day.

I think Mr S could've done more to contact TSB again during the opening hours to resolve his query. I'm satisfied TSB have responded to Mr S's concerns regarding the bot fairly as they passed feedback to the relevant department. So, I don't think they need to do anything else on this aspect.

Turning to Mr S's point about TSB failing to inform him about an ATM card. I can see TSB made it clear to Mr S in October 2022 that they didn't have the facility at the time to block gambling transactions. They signposted Mr S to contact Gamcare for support. But as Mr S has pointed out, he had another option also available to him at the time which was to request an ATM card instead of his debit card, which may have limited his ability to gamble online.

I agree TSB should've told Mr S about all his options which included the ATM card, so he could've fully considered if this was suitable for him. However, I don't think this makes a difference to Mr S's complaint as I can see he was aware about the option to have an ATM card when he contacted TSB on 1 February 2023 but didn't request this despite him continuing to gamble at the time. As a result, I don't think TSB's failure to tell him about the option of an ATM card has had a detrimental impact on Mr S as he didn't request it even after he became aware of it.

I can see TSB caused confusion around how Mr S's concerns were going to be dealt with. They initially logged his message of 1 February 2023 as a new complaint but decided to void it. Instead, they added it to his previous complaint which caused some delays in responding to Mr S and it meant he had to chase them for a response. But I can see TSB have compensated Mr S with £50 in recognition of the distress and inconvenience this caused which I think is fair and reasonable.

I've read Mr S's message to TSB on 1 February 2023. It's clear that Mr S was distressed and in a fragile stage. I'm disappointed to see that Mr S clearly asked for help, but TSB ignored this and simply told Mr S they'd recorded his complaint and they'd contact him as soon as possible to address his point.

The financial services regulator, Financial Conduct Authority (FCA) have issued guidance to firms on the fair treatment of vulnerable customers. This guidance sets out the expectations on firms and how they should identify and treat vulnerable customers. It also expects firms to provide customers with a level of care that's appropriate given the individual characteristics of the customer. It explains that customer's vulnerabilities can be compounded by a firm's actions or inactions.

I think Mr S's message made it really clear to TSB that he was extremely vulnerable as he not only explained that he was struggling with a gambling addiction and financial difficulties, but that he'd attempted to commit suicide.

I can only imagine how tough it must've been for Mr S to open up to TSB, as it's not easy for customers to disclose information of this nature to their bank. I don't think TSB considered Mr S's individual circumstances and the information he provided in his message to offer tailored support at the time. They failed to identify an extremely vulnerable customer and act in accordance with the FCA guidance and principles.

I can understand why Mr S feels like TSB didn't care about him when he reached out to them for support. I think TSB have added to the distress Mr S was under during an

already difficult time for him. Taking into account the impact on Mr S, I think TSB should pay an additional £150 compensation to fairly recognise the distress and inconvenience he was caused.

I know Mr S is recovering from his gambling addiction, so he should let TSB know the details of the account he'd like them to pay the funds into so he can receive the compensation payment safely."

Responses to my provisional decision

I asked both parties to respond to my provisional decision and provide further evidence or arguments they want me to consider.

Mr S initially accepted my provisional decision. But he later responded with some points for me to consider. In summary, he felt that TSB should refund at least a percentage of the gambling transactions as well as compensate him.

He strongly disagreed with TSB when they said he hadn't taken their advice to register with GamStop. He provided us evidence to show that he had registered with Gamstop in October 2022. He explained that GamStop doesn't work for gamblers like him as he'd find a way to gamble.

He also explained that the ATM card would've stopped him from gambling as he gambled in private hoping no one would ever find out and never in a shop. He said that all his gambling transactions were online, so an ATM card would've saved him thousands if it was offered by TSB rather than him finding out about it months later.

He explained that he begged TSB for help, but they did nothing. He said that he was gambling large transactions in the early hours of the morning, but TSB didn't block his card to check if the transactions were genuine. He said that the small amount of compensation is a let off for TSB. He thought TSB need to do more for future customers. He queried whether TSB had made changes to their bot to make it more effective following his complaint.

TSB said it appeared they were asked to pay an additional £150 compensation to Mr S as he messaged them on 1 February 2023 with what I saw as a request for help, but they only recorded his complaint. They asked me to clearly set out what they should've done in addition to logging the complaint to fully understand the reason for the £150 redress and to pass feedback about how they should respond in a similar situation should it arise in the future.

They said that they'd already referred Mr S to appropriate sources of support with his gambling and financial difficulties, so they wanted to know what else they should've done as the provisional decision doesn't mention this.

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 have carefully thought about Mr S's comments, but I haven't changed my mind. I'll explain why.

I appreciate Mr S feels that he'd have saved thousands if he'd been offered an ATM card by TSB. As explained in my provisional decision, I agree that TSB should've made Mr S aware

of the option to request an ATM card, so he could've considered if this was a suitable option for him.

But as I explained, I don't agree that Mr S has suffered a financial loss by TSB's failure to suggest the option of an ATM card in October 2022. This is because Mr S didn't request an ATM card when he contacted TSB on 1 February 2023, when he was aware that this was an option despite him continuing to gamble at the time. So, I'm not persuaded based on Mr S's actions in February 2023, that he would've taken up the option of an ATM card even if TSB offered it to him in October 2022.

I understand Mr S feels that GamStop wasn't effective to prevent him from gambling and the best option would've been for TSB to apply a block to gambling transactions. However, this facility wasn't available on TSB accounts until 9 February 2023.

I can see that Mr S continued to gamble by using an online wallet service provider, even after TSB placed gambling blocks on his account after 8 March 2023. So, I can't fairly ask TSB to refund Mr S for all or some of the gambling transactions on his account.

While I can understand why Mr S would like to know if TSB have made changes to their bot to make it more effective, it's up to TSB to decide how they wish to programme their bot and take on board the feedback they receive from their customers. As explained in my provisional decision, I think TSB have responded fairly to Mr S's concerns regarding the bot by apologising and passing feedback to the relevant department. I'm satisfied this is a fair way to put this right given I felt that Mr S could've done more to contact TSB during their opening hours to resolve his query.

Mr S feels TSB should've blocked his card to check if his transactions were genuine. However, this doesn't make a difference to the outcome I've reached as security checks are carried out by banks to prevent fraud. They don't prevent gambling transactions from taking place. This is a separate feature, which as I explained, TSB didn't introduce until 9 February 2023. Gambling transactions aren't an unusual spending pattern on Mr S's account so these might not have been flagged as suspicious by TSB's security systems.

In any event, the gambling transactions were genuine and even if TSB had blocked some of these transactions to check if they were genuine, it wouldn't have prevented Mr S's ability to gamble on his account as the transactions would've been approved once TSB confirmed with him that they were genuine.

I know Mr S feels like the compensation is a let off for TSB, but it's helpful for me to explain here that my role isn't to penalise or punish TSB. I've taken into account the distress and inconvenience caused to Mr S in the way TSB responded to and dealt with his message of 1 February 2023. I'm satisfied that an additional £150 compensation is fair and reasonable under the circumstances of this complaint.

I'm pleased to read that TSB would like to understand what else I'd expect them to have done to avoid the situation from reoccurring. As mentioned in my provisional decision, I'd like to refer TSB to the FCA's guidance to firms on the fair treatment of vulnerable consumers. This guidance sets out the expectations on firms and how they should identify and treat vulnerable consumers.

In Mr S's particular case, I think TSB should've done a lot more than just log Mr S's complaint in response to his message on 1 February 2023. Whilst this isn't an exhaustive list, some examples of the steps I'd like to have seen include, signposting Mr S to charities that could help with his mental health and suicidal thoughts, given the disclosure he'd made to TSB about attempting to take his life.

Although TSB had made Mr S aware of GamCare as an organisation he could seek help from for his gambling addiction, they provided this information to Mr S nearly four months prior to his message of 1 February 2023. Mr S's message was a clear cry for help, so I think it would've been helpful if TSB had reminded him about the support he could access to help him with his gambling addiction.

In addition, Mr S's message of 1 February 2023 also made TSB aware that he was struggling with financial difficulties. TSB didn't address this until they sent their final response letter in April 2023, when they made Mr S aware of the support he could receive from their Financial Support Services. I think TSB should've shared this information with Mr S in response to his message as well as logging his complaint.

Another point for TSB to consider is that they could've made Mr S aware that they had a new gambling block feature which was due to be released just over a week after his message of 1 February 2023. So, they could've made Mr S aware of the steps he needed to take to apply the gambling blocks feature to his account when it was released.

I hope some of these examples gives TSB an indication of what they could've done in response to Mr S's message to 1 February 2023, taking into account his individual circumstances and the information he provided in his message to offer tailored support at the time.

Overall, I've come to the same conclusions as I did in my provisional decision. I'm satisfied that an additional £150 is fair and reasonable to compensate Mr S for the distress and inconvenience caused to him.

My final decision

For the reasons explained above, my final decision is that TSB Bank plc should pay an additional £150 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 April 2024.

Ash Weedon
Ombudsman