

The complaint

Mr W complains his debit card stopped working and that every time TSB Bank plc (“TSB”) issues him with a new or replacement card they too stop working which has resulted in his business suffering a financial loss due to being unable to purchase supplies and having to spend hours of his time trying to sort the issue out.

What happened

In July 2023 Mr W’s debit card stopped working. TSB sent Mr W a new debit card but since that time he’s had to contact TSB and order several other debit cards as the replacements also stopped working after making several transactions and he has been unable to use his card at ATMs or in chip and pins.

Mr W notified TSB that his debit card was again not working in October 2023 and TSB responded by cancelling his card and ordering a replacement card. Mr W raised a complaint with TSB about this and was unhappy TSB cancelled his card without advising him first.

TSB apologised for not notifying Mr W in advance of cancelling and issuing a replacement debit card and advised that when a card stops working it is usually because the card is being kept beside a magnetic field and compensated Mr W £50 for the distress and inconvenience he experienced.

Mr W was dissatisfied with this as he continues to have problems with replacement debit cards not working. He says he has had 9 replacement debit cards in total the last of which was issued on 22 January 2024, and as a result his business has lost out financially as it has affected his ability to pay for supplies. So Mr W brought his complaint to this service.

One of our investigator’s looked into Mr W concerns but as TSB had evidenced through debit card transactions on Mr W’s bank statements that the debit cards were all working when they were issued, they weren’t persuaded that TSB were responsible for the problems Mr W had experienced.

And although potentially the knock-on effects of Mr W’s debit card not working could have affected his business, they weren’t satisfied that TSB had done something wrong or that it was responsible for the financial losses and stress caused. And as Mr W confirmed his current debit card ending in 9094 was still working, they didn’t think there was anything more TSB needed to do on top of the £50 compensation already paid.

Mr W disagreed and has asked for an ombudsman’s 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 might help if I explain here my role is to look at the problems Mr W has experienced and see if TSB has done anything wrong or treated him unfairly. If it has, I would seek – if

possible - to put Mr W back in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

And where there is a dispute about what happened – as in the case here - I've based my decision on what I consider most likely to have happened in the light of the available evidence.

Mr W believes TSB is responsible for up to 9 debit cards being defective while TSB's screenshots show that 6 new debit cards have been issued to Mr W for the period in question, but it acknowledges Mr W could have been issued with replacement debit cards with the same card number rather than a whole new debit card which would explain the discrepancy in numbers.

Mr W thinks there must be a false or faulty batch to have so many cards fail - one of which was before it was even activated. But Mr W's bank statements show transactions that evidence that the debit cards were working when they were issued and TSB believes that the magnetic strips on the cards became unreadable following Mr W's use of them.

Having considered everything carefully and without any direct evidence to point to why Mr W's debit cards repeatedly stopped working, I think it is more likely that the issue is caused by something Mr W is doing or a merchant he purchases from is doing to his card. I say this as given how many debit cards there are in circulation and the fact TSB isn't aware of other customers having the same issues as Mr W is, I think it is unlikely that the problem is at TSB's end.

It would be understandable if one card issued was faulty but to have up to 9 all stop working over a period of around 6 months – after they worked initially and without other customers reporting the same - suggests to me that the problem is at Mr W's end.

So I don't think TSB have made an error or done anything wrong. Furthermore, I don't think TSB has treated Mr W unfairly when it issued new debit cards when it's been reported a card is not working, as in this situation I can't see what more it can do to resolve the matter.

I understand that Mr W has been inconvenienced by the continuing issues he's had and says it has affected his business financially in not being able to pay for supplies. But I've seen no evidence of any direct financial loss and more importantly, as I don't think overall the issue is due to an error on TSB's behalf, I don't think TSB needs to do anything more.

So it follows that I do not uphold Mr W's complaint.

My final decision

For the reasons I've explained I've decided not to uphold Mr W's complaint and there is nothing more TSB Bank plc needs to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 8 October 2024.

Caroline Davies
Ombudsman