

The complaint

Mr A complains Skrill Limited ("Skrill") didn't close his account when he asked them to and told them he had a gambling problem.

What happened

Mr A has held an account with Skrill since 2018. He told us he asked Skrill to close his account on a number of occasions to prevent him from using it to gamble. He said that each time he closed it he was later able to log in at a later date and use it again. He told us he contacted Skrill in April 2023 and asked for closure but was still able to use the account later in the year and lost more money gambling. He thinks Skrill should have closed his account when he originally asked them to and complained.

In their Final Response Letter of 6 November 2023 Skrill didn't uphold Mr A's complaint. It told Mr A it had fulfilled its obligations as a payment processor and couldn't be held responsible for his losses when following his explicit instructions. In respect of his accusation of non-assistance when he reported his gambling addiction to Skrill it said first and foremost it was the gambling merchant's responsibility to implement mechanisms to for assisting compulsive gamblers control their spending, not the responsibility of payment processors such as Skrill. It confirmed Mr A had closed his account in 2019 but was reactivated following a request from Mr A on 27 March 2020 and there were no records for consecutive account closures from this point.

But Skrill acknowledged Mr A's request on 1 April 2023 to close the account could have been approached by their agent in a different way. It accepted the account could've been closed by Skrill instead of providing Mr A with instructions on how to close the account himself. But Skrill said it was confident the instructions to close were themselves clear and elaborate. And that, at that time, Skrill made Mr A aware his account was active and operational, so at that point, he was able to log into the account and close it. Skrill also said that Mr A's reply to this advice was sent to an inbox that didn't provide replies so the subsequent request for account closure didn't reach the support team. And that he'd have known that from the email address.

Skrill acknowledged the seriousness of the issue and told Mr A it had done everything in its power to prevent him from using the service going forward. They had closed his main and linked account and made sure his email address couldn't be used for any future payments on their platform. Mr A complained to this service.

Our investigator thought Skrill hadn't acted fairly. He didn't think it took reasonable steps to support Mr A after he'd made them aware of his gambling problem. He thought Skrill should've permanently closed Mr A's account after the conversation on 1 April 2023 rather than give him instructions on how to close it himself particularly when its records showed Mr A had closed and then reopened his account multiple times in the past. He thought about the impact of that failure to close on Mr A. On the evidence he didn't think that closure on April 2023 would've stopped Mr A gambling entirely so he didn't recommend Skrill refund his gambling transactions after that point. But he did think permanent closure on 1 April 2023 would've assisted Mr A in stopping gambling sooner and that being able to continue to use

his Skrill account for gambling caused Mr A distress and inconvenience. And our investigator thought Skrill should have referred Mr A to organisations providing support for gambling as had they done so this may have assisted Mr A in stopping or reducing gambling earlier and reduced the distress and inconvenience, he experienced. So, he recommended Skrill pay Mr A £250 compensation for the failure to permanently close his account and to provide appropriate support.

Skrill accepted the view and deposited £250 in his customer account, awaiting a valid bank statement no older than 3 months in Mr A's name to instruct a transfer to his bank account.

Mr A told us he agreed with the investigators finding that he was trying to eliminate himself from accessing this account which he used to fund to pay to third party gambling platforms. But he said he'd made it clear to Skrill in April 2023 that his account wasn't closed even though he'd asked for that and sent us screenshots from 18 February 2021 and 1 April 2023 to demonstrate this. He said it was only on 10 October 2023 when he'd emailed for the second time that month threatening legal action that the account was actually closed. But in the time between these emails, he'd deposited a further sum in the account for gambling. He thought the figure of £250 compensation wasn't fair as many other of Skrill's users might want to take the same preventative action he did but would later check their accounts to see if still open despite the request to close it.

He later told us he wasn't satisfied with the compensation offered especially considering the effort he'd made to manage his account responsibly. The matter has come to me for 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 understand the struggles Mr A's described would have been difficult to live with and to address. I think it's to his credit that he's seeking help for the problem.

Mr A thinks Skrill haven't listened to his request for account closure to stop him gambling and the account has remained open longer than it should. He thinks they should pay him for the gambling losses he sustained as a result of this. It seems to me there are two elements to this complaint. I'll deal with each in turn.

Should Skrill have intervened on Mr A's account before 1 April 2023

Mr A's been candid and told us about a long standing gambling problem. But from Skrill's perspective, the earliest reference, on the information before me, to it being notified Mr A had a problem is his email to it on 1 April 2023. I've seen the transaction history on the account since 2019. There are transactions which appear to be to for gambling before this point. But, like our investigator, I'm not persuaded the rate those payments recurred at or the amounts, before that point, were enough to reasonably say Skrill should have intervened before Mr A made it aware of the fact it was an addiction on 1 April 2023.

Should Skrill have done more once they were aware Mr A had a gambling problem

Skrill accept Mr A's request on 1 April 2023 to close the account could have been approached by their agent in a different way. It accepted that instead of providing Mr A with instructions on how to close the account himself the account *could have* been closed by Skrill. I think that *should have* been the case. That's as, at this point, Mr A also made them aware in his request for closure that he had a gambling addiction. Having been told that, I

don't think it was enough for Skrill to give Mr A instructions on how to close the account himself. And although there is a list of organisations on Skrill's website which provide support for gambling problems there's no evidence to show Skrill signposted him to these at this point. So, I think, it should have done more to intervene at that time.

I've gone on to look at the impact that's had on Mr A. I thought about what would have been the case if Skrill had permanently closed the account on 1 April 2023.

I can see Mr A's statements show his current account wasn't used for gambling and that, beforehand, around the time he notified Skrill of his addiction, he excluded himself from various online sites. Mr A also told us he hasn't opened another e money account. But his step of self-exclusion through GAMSTOP took place *after* the permanent closure of this account. And his self-exclusion from licensed gambling premises followed sometime later, in June 2024. So, on the information before me, I can't be satisfied the closure of the account in April 2023 would've stopped Mr A from gambling entirely. So, like our investigator, I don't think it's reasonable to hold Skrill responsible and it follows I can't agree to Mr A's request that Skrill should refund the money he's been able to spend on gambling through this account following the notification on 1 April 2023.

I think had Skrill done more to intervene after the disclosure on 1 April 2023 the distress Mr A suffered would have been lessened. Our compensation guidelines state an award between £100 and £300 might be fair where there have been repeated small errors, or a larger single mistake, requiring a reasonable effort to sort out. These typically result in an impact that lasts a few days, or even weeks, and cause either some distress, inconvenience, disappointment, or loss of expectation. I think the award suggested by the investigator of £250 is in that range. So, although I appreciate Mr A thinks this compensation isn't enough, for the reason I've explained I don't see any reason to alter that recommendation.

Putting things right

I think a payment of £250 compensation to Mr A from Skrill is reasonable here for the distress and inconvenience caused by them failing to close the account in line with his instructions on 1 April 2023.

My final decision

My final decision is that I uphold this complaint in part. In respect the lack of intervention after 1 April 2023 Skrill Limited should pay Mr A £250 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 3 January 2025.

Annabel O'Sullivan
Ombudsman