

The complaint

In conclusion, banks are required to support customers as described above, but won't be liable for their spending patterns and can't stop customers making authorised debit payments for legitimate activities such as gambling. As a consequence, there remains a high level of personal responsibility on the customer to address their harmful gambling.

What happened

Mr S said he lost over £3,500 by gambling via his TSB account, and far more via other banks. He said TSB allowed him to make a lot of gambling transactions that, *'they should have recognised'* and should have stopped him from making.

Mr S said he has been very badly affected financially by his gambling, and also *'mentally distracted'*. Mr S complained to TSB. He said TSB took a long time to respond during which time it allowed him to continue to make gambling transactions.

In its response TSB said it had not made an error with how Mr S has chosen to spend his money and would not refund his losses for these legitimate transactions. TSB signposted Mr S to organisations that can help and support him. And highlighted that he can place a gambling block on his debit card through TSB's Mobile Banking App.

Mr S wasn't happy with TSB's response and referred his complaint to our service.

Our investigator didn't recommend the complaint be upheld. He said banks don't monitor accounts for gambling activity and may only be aware of a problem if flagged for another reason such as fraud detection or financial difficulty. He said this could be regular use of an unplanned overdraft, returned direct debits, exceeding a credit limit or missing repayments. He said a bank may look at an account history when considering a credit application.

The investigator said TSB confirmed there were no credit applications and no other reason to review Mr S's account. He thought TSB weren't aware there was a problem and didn't think it needed to proactively monitor Mr S's account for problem gambling spending. TSB had told Mr S about blocking gambling transactions via his mobile app and provided details of help organisations. He concluded that TSB had acted fairly and reasonably.

Mr S said the investigator's decision was unfair and requested an ombudsman review his complaint. Mr S also raised an issue about losses from a crypto scam. I have not considered this issue here.

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.

Mr S thinks that TSB should have protected him from his gambling transactions. TSB say it made no mistakes as all transactions were made according to Mr S's own free will and it can't be responsible for his spending choices. Mr S has brought similar complaints against

other banks to our service. I have only considered his complaint about his harmful gambling in connection with TSB here.

Mr S provided his TSB bank statements which show he has carried out a great many mostly low value gambling transactions, particularly in early 2024. I was sorry to learn about the harmful nature of Mr S's gambling and the effect this has had upon him. I hope he is able to use the online self-exclusion service, and the bank account tools TSB offers to tackle the problem.

The Consumer Duty introduced by the Financial Conduct Authority requires businesses to consider customers' vulnerabilities. In common with other banks, TSB is not likely to act on a potential vulnerability unless it becomes aware, or is made aware of a problem. We expect banks to help customers who reach out with problems such as gambling addiction. In response to Mr S's complaint I can see that TSB has offered him appropriate support and made him aware of a feature on account – a gambling block – which can be applied through the mobile banking app.

However, supporting customers may require banks to be proactive in contacting customers where vulnerabilities are evident, and I've considered whether TSB should have done this with Mr S. An account problem may flag for fraud detection or financial difficulty. Financial difficulties are likely to be evident from regular use of an unplanned overdraft, returned direct debits, and exceeding a credit limit. These factors and a credit application should cause a bank to review a customer's account history.

I've looked at Mr S's account statements and I agree with the investigator that these indicators of difficulty were not present. His account has been maintained within its limits and there were no signs of any stress on the account to cause TSB to review Mr S's spending in detail.

It should be borne in mind that TSB would not have been aware of Mr S's overall gambling activity. And TSB doesn't have to actively monitor customers' accounts for gambling activity as it's a legitimate activity and a spending choice customers are entitled to make. If TSB had a reason to review Mr S's account and noticed the gambling transactions, in connection with possible fraud or financial difficulties, there may have been an expectation to discuss this with him, but, as I have said, I don't think this was the case.

Mr S has said despite his complaint TSB allowed him to make further gambling transactions. He provided a screenshot of a £10 deposit he made from his TSB account. From his bank statements it appears Mr S has gambled with UK regulated gambling companies. These are required to apply safer gambling principles and so Mr S would have received warnings and advice about his gambling similar to those within TSB's response to his complaint. I don't think that an earlier response from TSB would have made a difference to Mr S.

Mr S hasn't said why he thinks the investigator's outcome was unfair and I think the investigator made a fair and reasonable assessment of the complaint. So far as Mr S's gambling losses are concerned, he was making decisions about his own money, and I have found no reason to make TSB responsible for his gambling losses. Similarly, I don't think it would be fair for TSB to pay Mr S compensation for the service it has provided.

In conclusion, banks are required to support customers as described above, but won't be liable for their spending patterns and can't stop customers making authorised debit payments for legitimate activities such as gambling. As a consequence, there remains a high level of personal responsibility on the customer to address their harmful gambling.

Our service investigates the merits of complaints on an individual basis, and that is what I've done here. I think it's important to explain that my decision is final. I realise that Mr S will be very disappointed by this outcome though I hope he appreciates the reasons why I consider this to be a fair and reasonable outcome. By rejecting this decision all options remain open to Mr S.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 8 July 2025.

Andrew Fraser
Ombudsman