

The complaint

Mr D complains Barclays Bank UK PLC trading as Tesco Bank (“Tesco Bank”) failed to act appropriately when he made them aware he was struggling with gambling addiction.

What happened

Mr D held a credit card with Tesco Bank with a £2,000 credit limit. He says since he acquired the card, he contacted Tesco Bank on multiple occasions about his gambling addiction and asked them to block his card fully and to set up a payment plan so he could repay what was owed. However, Mr D says Tesco Bank told him they couldn’t set up a payment plan, changed their mind, but then failed to do this.

Mr D complained to Tesco Bank in 2024. He said they had allowed him to continue to gamble despite him telling them about his addiction. Mr D asked Tesco Bank to freeze all interest on his account until his balance was repaid. Mr D sent a further complaint saying Tesco Bank disregarded their duty of care to him as a customer as he had called them on a few occasions asking for help but was told there was nothing they could do.

Tesco Bank didn’t uphold Mr D’s complaints. They said they had considered refunding gambling transactions but as Mr D had authorised these and because there were no chargeback rights available for gambling transactions, they didn’t do so. Tesco Bank said their Financial Assist Team applied a two-month interest waiver to the account when Mr D first made them aware of his gambling addiction in April 2024 and that they applied a block to prevent any further spending although Mr D had then removed this.

Tesco Bank also said they had offered to close Mr D’s account, but he didn’t want to go ahead because he was looking for several transactions to be refunded through the chargeback scheme. Tesco Bank also said they had extended the interest waiver on Mr D’s account and had subsequently arranged for his account to be closed.

Mr D remained unhappy and so he referred his complaint to our service. One of our investigators looked at Mr D’s complaint and recommended that Tesco Bank write off the outstanding balance on Mr D’s card. He said Mr D had made it clear to Tesco Bank that he was struggling with gambling and that, had they offered the chance for him to close his account sooner than they did, it was unlikely Mr D would have continued to gamble to the extent that he did.

Tesco Bank didn’t agree with our investigator. They said they offered support to Mr D on several occasions such as exploring payment plans and account closure, referring him to third party agencies for support and applying a spending hold which Mr D then removed.

As the matter remains unresolved, Mr D’s complaint has been passed 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.

Our service is an informal, impartial dispute resolution service. While we take relevant law and regulations into account when arriving at our decisions, our remit is focussed on determining whether we feel a fair or unfair outcome has occurred from an impartial perspective, after taking all the factors and circumstances of a complaint into consideration.

I acknowledge that I've summarised the events of this complaint. I want to assure Mr D and Tesco Bank though that I've reviewed everything on file. If I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Having reviewed the file, it seems there's no dispute that Mr D first let Tesco Bank know about the extent of his gambling addiction in April 2024. So, Tesco Bank should have offered Mr D appropriate and practical support at that time, firstly in its duty of care towards Mr D as a vulnerable customer and secondly in relation Mr D's ability to continue to use his Tesco Bank credit card knowing he had told him he was using it to gamble.

I do agree with Tesco Bank that they offered Mr D support at several points. I've seen for example that their Financial Assist Team spoke with Mr D about what support they could offer, which included an interest waiver and a block to stop Mr D from using his card. And I've noted they offered to close the account, but that Mr D said he would rather wait to see if his chargeback requests for certain gambling transactions would be successful.

However, although I think Tesco Bank did offer support, I think they likely missed a crucial opportunity to prevent Mr D from using his card to gamble to the extent that he did. I have recently mentioned this to Tesco Bank so they are aware of my position on this, which I will now set out more formally.

Tesco Bank sent us several recordings of phone conversations between Mr D and themselves. However, there was a key recording missing from this, which was the call Mr D made to Tesco Bank on 8 June 2024. This was a conversation in which Mr D asked for the block on his card to be removed, which Tesco Bank had recently applied.

By this time, Tesco Bank were clearly on notice of the extent of Mr D's gambling addiction and his struggles to stop gambling using his credit card. From what I can tell, Tesco Bank's adviser simply removed the block after Mr D requested this. While Mr D is responsible for his own actions, and Tesco Bank should generally agree to a request a customer makes, I think Tesco Bank missed a critical opportunity at this time to explore whether removing the block was putting Mr D at significant risk of gambling again using his credit card. Certainly, I've not seen anything within Tesco Bank's records to show that their adviser asked Mr D any questions about the need for him to remove the block so soon after it had been applied.

In my view, the missing phone call recording leaves a gap in understanding whether Tesco Bank acted fairly and reasonably to Mr D throughout. I've seen that Mr D continued to gamble using his credit card for some time after the phone conversation of 8 June 2024. And bearing in mind that Tesco Bank eventually agreed to close Mr D's account despite there being a balance remaining on the account, I think it quite plausible that the same thing could have been explored during the phone call of 8 June 2024 and that it's more likely than not that Mr D would have agreed to this.

Overall, I think further significant harm caused to Mr D likely could have been prevented much sooner, had Tesco Bank had a conversation with Mr D on 8 June 2024 that wasn't simply an agreement to remove a recently applied spending block. And, as I've mentioned,

Tesco Bank were aware of why the block had been applied, so simply removing it without question doesn't to me seem an appropriate way of treating Mr D as a vulnerable customer.

I therefore will be upholding Mr D's complaint. I think the fairest way to resolve this is for Tesco Bank to write off any outstanding balance that remains on Mr D's account. I don't though think it reasonable for Tesco Bank to refund any gambling transactions Mr D made after the block was removed as I think writing off the balance allows both parties to move on from this dispute appropriately.

Putting things right

Tesco Bank should write off any outstanding balance on Mr D's credit card account.

My final decision

I uphold this complaint and direct Barclays Bank UK PLC trading as Tesco Bank to take the action I've set out above in the 'putting things right' section of my decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 17 February 2026.

Daniel Picken
Ombudsman