

The complaint

Mr K complained that Barclays Bank UK PLC trading as Barclaycard ('Barclaycard') did not contact him to offer help when he was using his credit card for gambling.

What happened

Mr K had a credit card through Barclaycard for many years. In around November 2017 Mr K started to use the card almost exclusively on gambling websites. There were often numerous transactions on any given day and Mr K incurred cash transaction fees on payments made to gambling websites. This continued until around April 2020, when regulations were put in place that stopped gambling businesses from allowing consumers to use credit cards for gambling transactions.

Mr K complained to Barclaycard in May 2020 and said it should have noticed his excessive gambling and should have contacted him to offer help. Mr K asked for all charges and fees on his credit card since November 2017 to be refunded.

Barclaycard didn't uphold Mr K's complaint. It said it wouldn't contact Mr K about payments made on his account unless it was to check that the transaction was genuine. It said the credit card was Mr K's and he could spend on the card however he wished. Barclaycard said if Mr K had contacted it about his worries, it would've been able to help him as it had a specialist team to help with gambling. It said all the cash advance fees and interest were charged correctly so it would not refund them.

Mr K was unhappy with the response from Barclaycard and complained to this service. Mr K said Barclaycard failed in its duty of care towards him, given the excessive levels of gambling transactions and changes in account usage. Mr K said he had to take out two other credit cards with other lenders to pay off the Barclaycard balance.

Our investigator didn't uphold Mr K's complaint. He said ultimately a consumer can use their credit card as they see fit, within the terms and conditions, and this is what happened here.

Mr K did not agree with what our investigator said and so this 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.

Having done so I am not upholding this complaint.

I know that Mr K hasn't asked this service to look at whether Barclaycard acted in line with its own terms and conditions when it charged cash transaction fees on the amounts paid by him to gambling websites. But, for completeness, I've looked at this. And I can see that it's clearly stated in the credit card terms that gambling transactions will be dealt with as a cash balance and it outlines the account usage fees that apply to cash balances.

There's no doubt that the number of gambling related transactions that were going through Mr K's account on a monthly basis increased significantly from around November 2017. And there were times when Mr K was making a very large number of transactions on gambling websites in a single day. If Mr K had told Barclaycard that he had a problem with gambling and that he wanted some assistance with this, then I would have expected Barclaycard to take immediate action. But Mr K didn't let Barclaycard know that this was the case.

I wouldn't expect Barclaycard to monitor Mr K's day to day spending on gambling websites. And given that Mr K was, at that time, free to use his credit card on gambling websites as he saw fit, I wouldn't necessarily have expected Barclaycard to step in without Mr K asking for help. That being said, if there were obvious signs that Mr K was having difficulty managing his account, then I might have expected Barclaycard to contact him. So I've looked at whether there was anything about how Mr K was managing his account that could reasonably have alerted Barclaycard to the fact that Mr K was experiencing some difficulties.

From what I've seen, Mr K appeared to be managing his account well during the period of time in question and so I can't see any reason why Barclaycard should have been alerted to any problems he was having. And I'm saying his account was well managed for the following reasons:

- Mr K did not exceed his credit limit at any point during the period of time in question.
- Mr K's monthly balance was often much lower than his credit limit.
- More often than not, payments made were above the minimum payment required.
- Mr K's account did not go into arrears during the period of time in question.

I can't see that there was anything happening on Mr K's account that could reasonably have prompted Barclaycard to contact him to discuss how he was managing his account. And I can see there were no credit limit increases on Mr K's account during the period of time when he was making a large number of payments to gambling websites. Although I know my decision will disappoint Mr K, having taken everything into consideration, I'm satisfied Barclaycard hasn't made any errors here and so I won't be asking it to take any action.

My final decision

It's my final decision that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 27 April 2021.

Martina Ryan
Ombudsman