

## **The complaint**

Mr P complains that Clydesdale Bank Plc trading as Yorkshire Bank should have monitored his account more closely to prevent him from entering a cycle of debt due to gambling transactions.

## **What happened**

Our investigator's background summary covered all the relevant facts and issues and is known to both Mr P and Yorkshire Bank, so there is no need for me to repeat them again here in any great detail.

Instead I will focus on giving the reasons for my decision. So, if I've not mentioned something it's not because I've ignored it, rather it's because I don't think it's relevant to the issues I need to deal with.

Mr P obtained a credit card with Yorkshire Bank in October 2019. He was given a credit limit of £6,200. However, Mr P began using his card for gambling transactions and maxed out the credit limit. As such Mr P felt like he was back to square one and this was affecting his health.

Mr P has said that Yorkshire Bank did contact him when his credit limit reached £1,000 to enquire about the gambling transaction and asked Mr P to confirm these transactions were completed by him. Mr P confirmed the transactions were genuine and explained that he would pay off the balance, but Mr P feels Yorkshire Bank should have blocked his card at that point or reduced his credit limit to £1,000 to prevent him gambling further.

Mr P feels Yorkshire Bank should've contacted him as soon as it saw the gambling transactions on his card.

## **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'm not going to uphold this complaint and for broadly the same reasons as the investigator. I want to firstly offer my condolences to Mr P for the loss of his son. And I'd like to assure him that I didn't take this decision lightly. I understand the last couple of years must have been difficult for him and I don't want to add to his distress. But as I'll go on to explain, I don't think Yorkshire Bank have acted unfairly.

I note that Mr P's complaint is centred on the fact Yorkshire Bank didn't intervene when it realised Mr P was using the card for gambling transactions. So, the issue for me to consider is whether Yorkshire Bank acted unfairly by authorising the transactions.

The first important point to make is, in March 2018 the Gambling Commission published its review of online gambling which led, in April 2020 to it banning the use of credit cards for

gambling. Prior to that, the use of credit card for gambling transactions was an acceptable form of payment.

Having reviewed Mr P's credit card agreement I can see that it outlines the costs that were associated with any gambling transactions. As such I am satisfied that at that time, it was in line with the terms of the credit card account for Mr P to use his card for gambling transactions. It is not for a card provider to say or restrict what a customer is able to use their card for. Therefore, Yorkshire Bank won't impose restrictions for genuine transactions unless the transactions are considered fraudulent. I do appreciate that matters have now changed regarding the issue of gambling using credit cards, but I am looking at the position as it was in 2019, and I can't say that Yorkshire Bank did anything wrong by allowing Mr P to make gambling transaction using his credit card.

Yorkshire Bank does have a responsibility to ensure it treats a consumer positively and sympathetically if it becomes aware the consumer is experiencing difficulties. I note that in November 2019, Mr P failed to make his minimum payment on time, so Mr P received a late fee of £12. In December 2019 Mr P received another letter outlining he had failed to make the minimum payment. In this letter it also explained that Mr P could contact the bank if he couldn't make the minimum payment or if he had issues with his account. The same issue occurred in January 2020, prior to Mr P raising a complaint with Yorkshire bank. I can't see that prior to Mr P complaining to Yorkshire Bank, he contacted it to discuss his gambling addiction, or the fact he was experiencing financial hardship because of it. And I can't see any evidence to suggest Mr P requested for a gambling block to be put on his account.

Therefore, on balance, I am not satisfied that Yorkshire Bank was aware Mr P had a gambling problem. As mentioned above, it isn't Yorkshire Banks' responsibility to tell an account holder what they can and can't spend money on, or to monitor transactions and make unsolicited recommendations about how money is being spent. So, although Mr P's statements show gambling transactions, I don't think that alone is enough to say that it needed to do more or should've limited Mr P's spending. I appreciate that Mr P believes that when Yorkshire Bank contacted him to check if the gambling transactions were genuine it should have limited his account at that time, but Mr P didn't ask Yorkshire bank to do this or notify it that he had a gambling problem. So, at that time the bank wasn't aware of the issues Mr P was facing. Therefore, I don't think I can fairly say the bank is responsible for Mr P's spending during this time or should refund any of the transactions made.

I sympathise with Mr P's circumstances and I am pleased to see that the bank has suspended interest while our service looks into his complaint. I can also see that in Yorkshire Bank's final response letter it asked Mr P to make contact with it to see how it can assist him further with the financial hardship he is experiencing. If Mr P hasn't done so already, I would urge him to do so.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 6 October 2021.

Jade Rowe  
**Ombudsman**