

The complaint

Mr K has complained that Barclays Bank UK PLC failed to adequately explain how a gambling block placed on his debit card worked, which ultimately led to him incurring substantial gambling related losses.

What happened

Mr K has a current account with Barclays which he has used as his main account since 2016. Mr K has told us that he is a recovering gambling addict but that in the past his compulsive gambling addiction resulted in him experiencing periods of extreme financial hardship. He has spoken at length and with extreme candour about his addiction and the impact it has had on his family and other personal relationships.

Mr K has said that in 2020 after a particularly difficult period of consistent gambling, he spoke with his family and partner about the changes he needed to make to prevent him from gambling going forward. Part of these measures included placing a gambling block onto his Barclays account to prevent him from using it to gamble online. Mr K has said the block worked really well for him and with it, and the support of his family, partner, and counselling, he was able to stop gambling.

Unfortunately, in 2021 Mr K lost his debit card and contacted Barclays asking for a replacement card to be sent out to him. When the replacement card arrived Mr K realised that the gambling block was no longer in place and this resulted in him using the card to gamble with online. Mr K has said very quickly his gambling spiralled out of control and he found himself losing his wages and money set aside for bills to gambling websites. This resulted in Mr K borrowing from high cost credit providers and friends to try to replace the money he had lost. However, he ended up gambling those funds as well. It wasn't until Mr K's partner and family realised what was going on that the gambling block was added back onto his new card and Mr K was able to stop losing money in this way.

Mr K has said that Barclays should've made him aware that the gambling block would be removed from his card when it was replaced. He has said that this system must have been an oversight on the part of Barclays given how difficult it can be for someone in the grips of an addiction to make the decision to stop. He has said that if it hadn't been for the block being removed, he wouldn't have lost the money he did or needed to borrow more to try to cover those losses. He thinks Barclays should refund the money he lost during this time and pay for the associated debt he accumulated as a result.

Barclays has said that while it sympathises with Mr K, and the difficult situation he has found himself in, it can't be held responsible for his decision to gamble. It has said that Mr K could've reapplied the block onto his new card and this would've prevented him from losing the money he did. For those reasons it didn't uphold Mr K's complaint.

I issued a provisional decision on 10 August 2022. In it I found Barclays failed to adequately explain to Mr K how the gambling block worked and what its limitations were. I found that this failure directly impacted Mr K's ability to gamble and resulted in him engaging in harmful behaviour that worsened his overall financial situation. I suggested that the bank increase

the amount of compensation it has already paid Mr K from £300 to £500 in total. I asked both parties to respond to the provisional decision by 24 August 2022 after which time I would reconsider Mr K's complaint.

Both parties have now responded so I see no need to delay issuing my financial decision and have considered the case again, taking in mind the comments received since I issued the provisional decision.

Barclays responded accepting the findings of the provisional decision.

Mr K responded to clarify that his gambling losses had totalled approximately £1,300 not £5,000 as I had stated in my provisional decision. He explained that the related losses he experienced through additional lending and lost wages brought this amount to a total of £5,000 of debt, but that he had only gambled a maximum of between £1,200-£1,300 in total. He accepted the rest of my findings as set out in the provisional 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'd like to thank Mr K for clarifying how much money he lost due to gambling during this time and apologise for not making myself clear in the provisional decision as my intention was to say his overall outstanding debt resulting from the gambling amounted to £5,000.

Having reviewed the file again and taking Mr K's clarification into consideration I haven't changed my opinion in relation to the complaint outcome or the suggested redress.

For the sake of clarity I will summarise the findings from the provisional decision again here:

The circumstances of Mr K's complaint are no longer in dispute and so I will not repeat them here. It is accepted by all that Mr K had to have his card replaced twice in quick succession and that the replacement cards didn't have the gambling block in place when Mr K received them. Barclays have also conceded Mr K wouldn't have known the block would be removed when his card was replaced. Therefore, I will only focus on the impact of the block not being added to the new card and what responsibility lies with the business in regard to this.

Barclays have said that its records indicate Mr K didn't have a block on his account prior to 2021 when Mr K says the block was eventually applied to his replacement card. This point has been addressed by our investigator and I agree with her findings on the matter. While I accept that some of the back-end screen shots that Barclays have provided seem to show the block being added for the first time in 2021, by Barclays' own admission it's possible that the block could've been in place in 2020 but due to systems updates this is no longer visible. And Mr K's testimony on this matter, unlike Barclays, has been consistent throughout. It's also supported by the behaviour on the account prior to the replacement cards being issued. There was no evidence of gambling during the time Mr K says the block was in place and therefore I believe him when he says it had been applied to his account in 2020.

Barclays has argued that it can't be held responsible for the 'choices' Mr K made and that he gambled his money 'willingly'. I find these statements extremely troubling as they show a deep lack of understanding around compulsive behaviour and addictions which will significantly reduce Barclays ability to effectively support some of its most vulnerable customers. Offering support mechanisms like gambling blocks can be incredibly useful for people. But only if they are designed in a mindful and considered way. And while I appreciate that not everyone who chooses to apply a gambling block to their account will

have a compulsive spending addiction, a number of them will. And so, the tool should be designed with this in mind.

Ultimately it would be better if gambling blocks such as the one Barclays offers, were linked to the account itself as opposed to the physical card. It should be quick and easy to apply them, but some friction and time delays should be in place in order to have them removed. Multiple charities and reports detailing the way compulsive spending addictions have all acknowledge the importance of a time delay in removing these types of supports. Gambling addicts and those in recovery have repeatedly explained that the desire to place a bet will dissipate over time. If they can be prevented in the moment from acting on their impulse, it can make a fundamental difference. So, I agree with Mr K when he says that Barclays needs to reconsider this aspect of how its block works or order for it to work effectively.

Mr K has explained that as a result of the gambling that took place in 2021 after the block was removed, he accrued debt of approximately £5,000. He said that very quickly he had spent his wages, money for bills and was taking out successive loans from high cost credit providers in order to try to recoup his losses. Ultimately this didn't work, and it wasn't until his then partner and family realised what was going on and took control of his accounts again that the gambling stopped. This period of gambling sadly resulted in the breakdown of Mr K's relationship and he had to move back into his Mother's house, which he has described as very distressing.

Therefore, I believe the impact of Barclays not adequately explaining how the gambling block worked, so that Mr K and his support network understood the risks associated with his card being replaced, has been substantial. Mr K has, by his own testimony, had an extremely challenging year and has lost considerably more than just the funds from his account. And while I appreciate Barclays can't be held responsible for everything that happened after the block was removed from Mr K's card, I do believe that the replacement card and loss of the block was the catalyst that led to Mr K's current circumstances.

Putting things right

Therefore, I am upholding Mr K's complaint and direct Barclays pay him a total of £500 in compensation, thus increasing the compensation already paid by an additional £200.

My final decision

For the reasons set out above I uphold Mr K's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 7 September 2022.

Karen Hanlon
Ombudsman