

## The complaint

Mr R complains that Barclays Bank UK PLC had technical issues with their mobile banking application that led him to lose over £24,000.

## What happened

Both parties are aware of the circumstances of the complaint, so I won't repeat them again in detail here. In summary, Mr R had issues applying a gambling block to his mobile banking application (MBA) and eventually Barclays worked around this by manually applying a block. Mr R also says he lost over £24,000 when Barclays did not flag gambling payments as suspicious. Barclays said that as Mr R did not respond to their text asking if the issue was still ongoing, an official ticket about the gambling block was not raised, but they offered him £30 compensation.

Mr R referred the complaint to our service and our Investigator did not think the £24,000 was linked to the gambling block issues Mr R faced, as they occurred a year before. They did not agree that the gambling transactions totalling £24,000 were so unusual that they warranted intervention from Barclays. And they felt Barclays had dealt with the gambling block issue within a reasonable timeframe, so they did not uphold the complaint.

Mr R disagreed, so the complaint was passed to me. I issued a provisional decision which read as follows:

*I'll first focus on Mr R's issues with the gambling block on his MBA. I can see Barclays raised an investigation into the gambling block on 14 December 2014, following a conversation with Mr R. They then sent a text to Mr R on 16 December to ask whether or not he was still experiencing issues. When Mr R did not respond, the investigation was closed.*

*Mr R raised a complaint about this on 18 December and Barclays attempted to call Mr R twice on 20 December, and again on 21 December. As they could not get through, they issued a final response on 21 December 2022 in which they explained they had applied the gambling block manually. Considering this, I think Barclays found a workaround for the technical issue within a reasonable amount of time once it was clear they would not be able to meaningfully discuss the issue with Mr R.*

*It appears Mr R did contact Barclays via the online chat function about the gambling block earlier on in December, though I've not been able to see a transcript of the conversation. In an online chat I've see the transcript of what occurred between Mr R and Barclays on 18 December, the Barclays representative confirmed the conversation ended abruptly without an investigation being raised. Which suggests the conversation ended prior to an official request being raised that would lead to an investigation of the issue. On balance, I haven't seen enough to be satisfied that Barclays made an error when it didn't raise an investigation sooner. With all of this in mind, I think Barclays responded to Mr R's complaint about the gambling block in a reasonable timeframe and came up with a sensible workaround for the problem. And I think the offer of £30 compensation for the initial error is fair in the circumstances. It is unclear if this has already been paid to Mr R.*

*I'll now focus on the transactions totalling £24,000 that Mr R says he lost in November 2021. I have found no mention of Mr R raising a complaint about the gambling block not working prior to this point, so I have viewed this as a separate incident.*

*Mr R has said that the transactions were significantly higher than previous deposits he had made and at the time he was unable to call Barclays as he did not know his telephone banking security number and he could not visit a branch, so he was unable to contact them. And he could not make a transfer to his bank account with another provider as he had reached his daily limit. Barclays has confirmed that the daily transfer limit for mobile phone transfers was £10,000 to existing payees.*

*I can see that Mr R had gambled in bursts previously so the behaviour of multiple transactions out of his account in a day was not unusual for him. So, I would not have expected this alone to have flagged to Barclays as suspicious. However, I do agree that the transactions on 26 November were larger than Mr R normally made and there were multiple high value transactions on the same day. With this in mind, I think it would have been preferable if Barclays had noticed the unusual traffic on Mr R's account and contacted him.*

*When Barclays identifies an unusual or out of character transaction, they will typically contact the consumer to make sure there is no fraud being committed on the account or that the consumer is not the victim of a scam. So, they will generally ask what the nature of the transaction is and whether or not it was authorised by the account holder. In Mr R's case, it was not in doubt that he had authorised the transaction himself and that it was for gambling purposes, which in this case was not related to fraud or a scam.*

*On balance, there was no guarantee that a conversation about the nature and validity of the high value transactions would have changed Mr R's behaviour at that time. I say this because Mr R appears to have been spending compulsively and did not seek to apply a gambling block on this account until a year later and he continued to gamble during that time. So, I can't safely conclude that a conversation with Barclays would have made him stop his spending on that day and that he would not have gone on to spend the funds at a later date. Considering this, I therefore don't currently think it would be reasonable to ask Barclays to refund the transactions in question.*

Barclays responded and agreed to my provisional findings.

Mr R responded and said the following:

- He is still unable to add or remove the gambling block on his MBA so the issue is not resolved.
- He was not informed of the daily transfer limits on the account, and he reiterated that he was unable to transfer the funds out of his account.
- Barclays were aware of his high gambling activity, and they were aware that he was a vulnerable individual.
- He did respond to the text from Barclays about his issue with the gambling block, but they responded to say the complaint was closed.
- He has sent us proof that he was told a complaint was being raised for him in the online chat.
- He says that he did try to activate the gambling block prior to losing the £24,000, and when he was unable to the online bot referred him to the online guide and he could not get through to a person.

### **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 R has responded with some additional points for me to consider, so I'll go over them in turn.

I appreciate that Mr R has said he is still unable to remove and add the gambling block himself on his account as he would like. This must be frustrating for Mr R and it appears there is an issue with his MBA. Ultimately, I have considered how Barclays responded to his initial complaint which was that he could not add the gambling block – and they found a way around this by manually adding it. It is possible that if he wants to remove it, he can contact Barclays and they can manually remove it again. But on balance, I still think they dealt with his initial issue appropriately in the circumstances.

Mr R has said that he was unaware there was a daily limit on his account. This is not unusual, and all accounts will generally have different limits for internal, external and international transfers and these can vary for new and existing payees. I appreciate Mr R was unable to carry out the transfer, but I've seen nothing to suggest this was as a result of an error by Barclays.

Mr R says that Barclays were aware of his gambling activity and that he was vulnerable. Barclays has not mentioned any contact prior to December 2022 in which Mr R said he had gambling issues. In response to the initial view, Mr R said that he had not specifically come out and said he had a gambling problem previously, but he still felt Barclays knew about it. However, the existence of gambling on an account is not enough for Barclays to make a note that he may have a problem. While it may warrant a conversation, they would need Mr R to make them aware of a gambling problem in order for them to help him apply friction to future spending. And similarly, Mr R's vulnerabilities would not necessarily have meant Barclays should have intervened in the payments.

Mr R has said that he did respond to the text sent on 16 December, and I can see that he did. This was two days after the text was sent and by that time, the ticket had already been closed due to a lack of response. In any event, Barclays manually applied the block shortly after this, so I don't think this has caused Mr R much trouble or upset.

Mr R has also said he supplied us with the chat from 1 December in which he initially raised this issue. I explained in my provisional decision that we do not have a copy of this chat, which is why I relied on the chat from 18 December. It's unclear if Mr R still has a copy of the chat and I've considered whether or not having this would change the outcome of the complaint. On balance, I don't think it would. Even if I were to agree that Barclays missed an opportunity to raise a ticket on 1 December about the issue, it was resolved a few weeks later. So, the compensation of £30 would have generally been in the range of what I would have recommended in the circumstances, and I would not have directed Barclays to increase this.

Finally, Mr R says that he did try to make Barclays aware of his MBA issue prior to the transactions in 2021, however he was referred to the online guide and he could not get through to a person. As mentioned in my provisional decision, there is no mention of Mr R raising this as an issue sooner or mentioning that he had tried to as part of his complaint.

I have to consider Barclays' actions and if they had not been made aware of the issue, there is not much more that they could have done in the circumstances. So, I can't agree that they missed an opportunity to help Mr R sooner.

**My final decision**

I don't direct Barclays Bank UK PLC to refund the transactions totalling over £24,000 and I think the compensation offered is fair in the circumstances. Barclays Bank UK PLC should pay Mr R the £30 if they haven't already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 20 October 2023.

Rebecca Norris  
**Ombudsman**