

The complaint

Mr M complains that after Barclays Bank UK PLC ("Barclays") initially saying it could block transactions to certain merchants it failed to do so as they weren't classified as gambling. This resulted in Mr M losing money as he was able to continue gambling to these merchants. Mr M wants a refund of money spent gambling after contacting Barclays about the transactions as he thinks Barclays should've offered more support.

What happened

Mr M contacted Barclays via web chat in relation to wanting to block gambling transactions to certain merchants made through gaming, leisure companies and social media sites. Mr M was told that gambling transactions were currently turned off on the account but it could look at the option to apply a block on the merchant to prevent payments from happening and transferred him to another advisor.

Mr M was told that an automatic cancellation for transactions to merchants could be applied but that this doesn't guarantee payments to merchants will stop leaving the account and it also wouldn't block his card. If a payment does leave the account it should be returned back to the customer's account by the end of the next working day.

This advice was incorrect. The advisor was referring to something called continuous authority transactions which is effective in relation to reoccurring transactions, but Mr M's payments were individual purchases – so if the advisor applied this cancellation to these transactions there would've been no guarantee the payments would've been returned.

Mr M was advised he already had a gambling block on his account and to contact the merchants directly to cancel the payments. The advisor also informs Mr M how to apply a gambling block on his account through its app and asks Mr M whether he wants to go ahead with the automatic cancellation for the merchant transactions - but it doesn't appear that Mr M replied before the chat ended.

Following this Mr M was still able to transact with these merchants as the transactions were classified as a purchase and categorised by the merchant as video game arcades which meant the gambling block he did have available didn't work on these transactions. Mr M complained to Barclays.

Barclays accepted it had provided incorrect information regarding its ability to block the transactions to merchants and offered £25 compensation. Barclays suggested Mr M have just an ATM card to assist his struggles with gambling and to deactivate the adverts on social media that promote gambling to avoid making the purchases.

Mr M was dis-satisfied with this and brought his complaint to this service.

Our investigator looked at all of this and although they thought Barclays could've provided additional support to Mr M for his gambling by signposting him to third party organisations, overall, they thought Barclays had done enough as Mr M had already previously applied a

gambling block to his account as well as advising him to contact the merchants directly. They thought the £25 compensation was fair compensation for the misinformation received.

Mr M has also been provided with a list of organisations that can provide further assistance with his gambling.

Mr M was dissatisfied with this, he doesn't believe the support Barclays has offered is enough and has asked for an ombudsman's 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.

It might help if I explain my role is to look at problems that a consumer has experienced and see if the bank has done anything wrong or treated the consumer unfairly. If it has, we seek to put the consumer back in the position they would've been in if the mistakes hadn't happened. And we may award compensation that we think is fair and reasonable.

Mr M is unhappy that Barclays mis-advised him regarding the automatic cancellation of transactions to gambling merchants and at the support it offered him knowing that he had a gambling problem.

I sympathise with Mr M and the gambling struggles that he has, and I applaud him for seeking help. In situations such as Mr M's while I wouldn't tell Barclays what tools it needs to have in place to support customers with a gambling addiction, I would expect it to utilize the tools it does have and make the customer aware of what it can do to assist and any limitations there might be.

In Mr M's case Barclays did mis-inform him about the availability of the automatic cancellation of transactions to certain merchants. This simply wasn't an appropriate tool that would assist him to control his gambling. I note when Mr M got in contact with Barclays he was already using one of its tools as he already had a gambling block on his account. Barclays confirmed this and reminded him how to apply this block through its app and also advised him to contact the merchants directly as there were no guarantees.

So although Barclays did mis-inform Mr M about being able to apply automatic cancellation of transactions for the merchants in question, I'm satisfied that Mr M was already utilising the gambling tools Barclays had in place and that there wasn't anything much more Barclays could do.

Unfortunately, nothing is fool proof and the tools Barclays had available to support Mr M didn't work. Mr M was still able to make gambling purchases due to how the transactions were categorised by the merchant. And I don't think it would've made a difference if Barclays had provided the correct information regarding the ability to cancel transactions. I think Mr M would've likely still made payments to the merchants in question – as he did just that despite being told there was no guarantee the payments would stop leaving his account.

And I don't think Barclays should be penalised for the limitations in the tools it has for supporting customers with a gambling problem that are out of its control. Not being able to easily block all gambling transactions made online or otherwise because the merchant doesn't categorise them as gambling, isn't an error on Barclays's part – it simply isn't possible.

So having considered everything, although Barclays made a mistake and provided Mr M with incorrect information – it has offered Mr M £25 compensation for this which I think is fair as I don't think this mistake made a material difference to Mr M's circumstances and I don't think it would be fair to ask Barclays to refund Mr M the money he spent on gambling.

My final decision

For the reasons I've explained I've decided what Barclays Bank UK PLC has offered to settle Mr M's complaint is fair and I'm not going to ask it to do anything more.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 24 November 2023.

Caroline Davies
Ombudsman