

The complaint

Mr R complains through his representative ("IC") that he was a vulnerable customer with a gambling addiction and Nationwide Building Society ("Nationwide") did nothing to provide support or help prevent the gambling transactions from taking place on his account.

What happened

Mr R held a basic bank account with Nationwide. Mr R complained that between 2020 and 2021 Nationwide had no adequate system in place that could've prevented him from continuing to gamble and offered no support despite the gambling activity on his account.

Nationwide didn't uphold his complaint. It says Mr R is free to spend his money as he pleases without interference from it unless there is illegal or suspicious activity and that Mr R never made it aware he had a gambling problem.

Mr R was dis-satisfied with this. IC says that Nationwide had no adequate system in place that could've prevented Mr R from continuing to gamble and that Nationwide continues to add to Mr R's financial detriment with bank charges being levied through to the present day. And so Mr R's complaint was brought to this service.

Our investigator looked at all of this and thought there wasn't enough evidence to suggest Nationwide ought to have known Mr R had a gambling problem and needed support and so they didn't think Nationwide had treated Mr R unfairly. Furthermore, as Mr R's account showed no bank charges and doesn't allow overdrafts or charge interest and fees for unauthorised overdraft usage, they couldn't see how Nationwide added to Mr R's financial detriment.

Mr R disagreed and 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.

My role is to look at problems that a consumer has experienced and see if the business has done anything wrong or treated them 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 R's complains that Nationwide failed to pick up on the gambling activity on his account and provide appropriate support which has resulted in him losing a significant amount of money.

I sympathise with Mr R and the gambling struggles that he has and I hope he is now in a position where he is getting the right help and support for this. It might be helpful for me to say here that, as we are not the regulator, I cannot make a business change its systems or processes – such as what it must have in place to assist customers with their spending or

what accounts should be monitored for. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

So in situations such as Mr R's while I wouldn't tell Nationwide what tools it needs to have in place to support a customer with a gambling addiction and nor would I expect it to monitor an account for gambling transactions - indeed, gambling isn't illegal and a customer should be free to spend their money as they please. But I would expect a business to step in and offer appropriate support where I consider it should've reasonably become aware there might be a problem.

I've thought very carefully about whether Mr R's account activity should've been enough to alert Nationwide that something may have been wrong and that it needed to step in. And although the statements do show for the period in question (2020-2021) large amounts of gambling activity, I don't think this on its own is enough to suggest there is a problem and that Nationwide should've stepped in and offered support.

The statements show that Mr R's account doesn't have any lending attached to it such as an overdraft and that it at least initially doesn't appear to be his main account where his essential bills are paid from - but rather an account used for leisure activities. Although I can see there is evidence of some external short-term lending, the account had regular credits in and rarely became overdrawn and when it did it was for a minimal amount and was brought back into credit quickly and Nationwide didn't apply any charges for this. And from 2022 onwards Mr R barely used his account if at all.

So although the statements show large amounts of gambling activity, I don't think it could be reasonably concluded that this on its own pointed to signs that Mr R might be having difficulties and spending in a way that was detrimental to him and that Nationwide should've stepped in.

Mr R says he did inform Nationwide of his gambling problems in 2020/2021 and that he was told that most gambling transactions would be blocked but that the block was never applied. Nationwide says Mr R's account has never been in collections and Mr R has never reached out to it regarding any difficulty with his finances or gambling and that it didn't have the facility to block gambling transactions until September 2023 which was after Mr R's raised his complaint.

I'm in agreement with our investigator here, that I think Mr R is confused about which bank he was talking to as Nationwide didn't have a facility to block gambling transactions at the time and so I think it is unlikely that a call handler would discuss a gambling block when the facility wasn't in existence.

So having considered everything I don't think on the information Nationwide had it should've reasonably been aware that Mr R might have a problem and offered more support or treated Mr R unfairly and it follows that I don't uphold this complaint.

My final decision

For the reasons I've explained I've decided not to uphold Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 12 March 2024.

Caroline Davies
Ombudsman

