

## **The complaint**

Mr M says Bank of Scotland plc, trading as “Halifax”, should’ve blocked his transactions and done more to protect his account.

## **What happened**

The facts of this case are well known to both parties, so I won’t repeat them in detail here.

Mr M is no longer complaining the transactions are unauthorised, he says he did make these payments so as this is not in dispute, I don’t need to make a finding on this point.

In summary, Mr M says Halifax should’ve blocked transactions on his account between 15 December 2022 and 22 November 2023. He says he put a gambling block on his account and Halifax were aware he was struggling with a gambling addiction, so these transactions should’ve been flagged and blocked. Mr M says he discussed limiting and restricting his account with Halifax on the phone on many occasions, but it failed to protect him and his account from further gambling.

Halifax says it has considered all the contact it has had with Mr M, but it says it was not made aware Mr M had a gambling addiction or needed any extra support prior to the disputed transactions. Halifax says it did block some payments from his account which was flagged by its fraud team, but Mr M was not forthcoming about what the payments were for, and confirmed they were genuine, and said he wanted to make the payments on each occasion. Halifax says it cannot be expected to have taken any further steps here as Mr M had not made it aware of his gambling addiction and had not been honest about the payments from his account.

Our investigator considered this complaint and decided not to uphold it. Mr M didn’t agree with this outcome, so the complaint has been passed to me for a final 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 all the evidence, and then reach a decision that takes this into account and is fair to both parties. That means I consider Halifax’s position as much as I do Mr M’s. And what Mr M’s asking for here is for Halifax to use its own funds to pay him back money that he genuinely spent gambling.

I agree Halifax does have a duty to take steps to adapt its service to support vulnerable consumers and protect all its customers from foreseeable harm. However, I can only expect Halifax to have taken additional steps to protect Mr M if it had been aware of Mr M’s difficulties with gambling. Halifax maintains that it was never made aware of Mr M’s addiction, or any vulnerabilities or needs that Mr M needed support with. And I’ve listened to a several calls which Halifax has now provided me. The calls are from January 2023, October 2023, November 2023 and January 2024. From what I’ve heard there is no mention

from Mr M about his gambling addiction or the blocks he believed to be in place prior to the disputed transactions. Mr M is adamant that he has spoken to Halifax about this in the past. Halifax does not have any other call recordings, and I don't expect Mr M to be able to provide these either. But without any evidence to show Halifax was aware of Mr M's gambling addiction it isn't reasonable for me to say it should have stopped him from using gambling sites.

Mr M is also adamant that he had a gambling block put on his account. But again, there are no notes or evidence of this. Halifax says its customers can turn the gambling block on and off themselves via the app, and I've seen that this is the case. Once turned off the customer would be able to gamble again 48 hours later. However, it explained that this would only block debit card payments, and not faster payments or payments made via online banking. So, this wouldn't have prevented the payments Mr M disputes even if it had been turned on.

During a call in November 2023 Mr M does ask about blocking his open banking feature on the account. But this call took place after the disputed transactions that Mr M wants Halifax to refund. And I've not seen this being discussed any time prior to the transactions Mr M wants Halifax to refund. So overall I am not persuaded any blocks were in place on Mr M's account which should've prevented the disputed payments.

Mr M's also raises the point that the volume, frequency and value of the payments made should've raised flags which let Halifax to question Mr M about these to prevent further loss. I've considered this point, but I don't agree. From the transaction history I've seen it appears Mr M's account had always been used for large payments in and out, and not for everyday general spending. The transactions are made up of faster payments in and out of the account, so the transactions Mr M disputes are not unusual in this way. Usually we would expect large payments, perhaps international payments, or payments significantly out of character to be flagged.

I have seen a high volume of payments made to the same merchant in a short time frame, but when Halifax did call to question Mr M about payments to this site, he was not honest about what the payment was for, even when prompted that it is likely to be a gambling site. So, I think even if Halifax had intervened earlier or more frequently, Mr M would not have been honest about his addiction and would've found a way to continue to gamble these funds.

I know this outcome will come as a disappointment to Mr M, but for all the reasons outlined above I do not think it would be fair to ask Halifax to refund Mr M these losses.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 17 February 2025.

Sienna Mahboobani  
**Ombudsman**