

The complaint

Miss B says Barclays Bank UK PLC (“Barclays”) should refund her for several transactions on her account as she feels it should’ve blocked these or raised them with her before allowing the payments to be processed.

What happened

The facts of this complaint are well known to both parties, so I won’t repeat them in detail. In summary, Miss B made 52 transactions, totalling £753.73, to a gambling website between 26 and 29 July 2024. Miss B says Barclays was aware of her gambling addiction and didn’t make any efforts to protect her or her account from excessive, irresponsible gambling.

Barclays says it did make attempts to support Miss B with her difficulties by signposting other organisations which could provide professional help. It says the transactions were not flagged by their fraud detection systems because each payment was not significantly large or out of character for her account. And it says, even if it had intervened, it doesn’t think it would’ve made a difference.

Our investigator considered this complaint and felt that Barclays didn’t need to refund all the transactions as they were correctly authorised. However, she felt that Barclays had failed in its consumer duty responsibilities and could’ve done more to protect her from foreseeable harm. She suggested £350 in compensation. Barclays disagreed, so the complaint was passed to me to consider.

I completed a provisional decision on this case, setting out why I felt this complaint shouldn’t be upheld. My findings were as follows:

“I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

As outlined by the investigator, there is no dispute over whether these transactions were authorised by Miss B, so I am only looking at whether Barclays should’ve blocked the transactions in the interest of protecting her account. Our investigator felt that it should’ve done more, but I don’t think it is fair to have expected this of Barclays, and even if it had I don’t think it would’ve made a difference. I’ll explain why.

Firstly, I would like to start by saying I am sorry to hear of Miss B’s mental and financial difficulties. I understand that suffering with addiction is extremely complex and challenging and I sincerely hope she finds some further help and support.

I also know that this outcome will come as a disappointment to Miss B. I would like to point out that I have read and thought carefully about everything that’s been provided in this complaint. Ultimately, 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 Barclays’s position as much as I do Miss B’s. And what Miss B is asking for here is for Barclays to use its own funds to pay her back money that she spent while gambling.

I've listened to the call from February 2024 between Miss B and Barclays, where Miss B called to discuss the recent transactions she made to a gambling website. She explains during the call about her financial situation and her mental health difficulties. She asks if Barclays would be able to refund the transactions she made, and the caller signposts some external support available to her. Miss B declines these as she explains she will not be gambling again in the future, and she doesn't think these options would help her with what she needs. During this call she is also given information about how she can apply a gambling block on her own account. I've seen evidence some notes were made on her account to reflect this call.

Shortly following this call Miss B continued to use gambling websites and her account was regularly drained of remaining funds due the amount of such transactions. I've also seen that Miss B was regularly turning the gambling block on and off, in order to allow the gambling transactions to go through.

Miss B says over the course of a weekend Barclays allowed her to spend almost £800 to gambling websites all while it was aware of her difficulties with addiction. She thinks the amount and frequency of these transactions should've been flagged. Usually we would expect large payments, perhaps international payments, or payments significantly out of character to be flagged. The payments in dispute were each for a relatively low sums and were to websites Miss B had used previously. And I don't think it would be fair for Barclays to have picked up on these transactions, specially as she had turned off the gambling block.

Our investigator felt that Barclays should've intervened at this point and contacted Miss B which might have caused her to realise what she was doing. Even if I accept that there is an argument that Barclays could've intervened, I don't think an intervention would've made a difference. And I'll explain why.

During the call with Barclays in February Miss B seemed remorseful about the gambling and sure that she wouldn't be doing this again. However, I have seen evidence of continuous gambling on her account shortly after this. I've seen from Miss B's statements that between 5 May and 7 May 2024 she spent over £800 gambling which brough her account balance down to £0.13. So, I think even if Barclays had called Miss B at the time and she had stopped at that point, I think the call would've played out similarly to the call in February 2024 and she would've continued gambling to the same extent soon after.

Barclays has also told us that after removing the gambling block on the account, there is a 72-hour ban on gambling to protect customers and to give them the opportunity to consider whether they are spending wisely. Even with this in place the evidence shows Miss B would turn-off the block and then start to gamble after the 72-hours had passed.

Banks have a duty to consider their customers vulnerabilities and provide appropriate support to help them manage and protect their accounts. Equally, customers also have to take responsibility for the payments they make and how they manage their finances. While there is a balance to be struck, I have to be reasonable in what more I could've expected Barclays to have done here. Overall, I think it did everything I could reasonably ask it to do to protect Miss B. It has given her the tools to restrict her gambling and it signposted professional services that can provide the appropriate help. And I think even if it had done more, it wouldn't have made a difference for the reasons explained above.

I do appreciate that addiction is extremely difficult to overcome, and I understand Miss B has continued to use her account for gambling until very recently. So, I hope that she gets some help with this and can overcome these difficulties. But as I've outlined above, I don't think it's fair to hold Barclays responsible for these transactions or to compensate her for any loss or distress and inconvenience caused by the gambling."

Miss M responded to my provisional decision with some comments which I will address below.

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.

Having reconsidered everything I've been provided, alongside Miss M's additional comments, I still don't think it would be fair to uphold this complaint and I'll explain why.

Miss M says had Barclays called her at the time to alert her of transactions leaving her account, she would've paused and reconsidered her actions. But I am not persuaded this is the most likely scenario. I say this because Miss M clearly has an addiction which I think requires more than one phone call from Barclays to resolve. And I think even if she had stopped gambling at that point in time, it's likely she would've recommenced shortly after. This is evident from the fact that she did continue gambling shortly after the weekend of transactions in question.

Miss M says she continued to gamble as she was trying to recover the vast losses previously, but this to me is even further evidence that no intervention from Barclays was likely to have prevented the loss in dispute.

Miss M also says she is not asking for Barclays to refund this money from its own accounts. She says she wanted it to raise a chargeback on her behalf. The grounds for raising a chargeback are for transactions related to fraud; and for transactions where the goods and services weren't received. As Miss M is not denying making the transactions herself, the only grounds relevant would be for goods and services not received. But for transactions relating to gambling, the services are deemed to have been received as soon as the consumer gets the credit in their gambling account. So, this wouldn't have been a successful chargeback in any case.

Miss M also says Barclays has a duty of care towards its customers and it should've protected her as it was aware of her gambling problem. She also says Barclays were very cold during the complaints process and offered little help. I have discussed this at length in my provisional decision and nothing Miss M says here leads me to change my findings on these points.

I appreciate Miss M has found another decision which she feels is similar to her circumstances and I should consider this. However, each case is considered on its own merit so this isn't something I can consider.

For all the reasons outlined above and in my provisional decision, I am not upholding this complaint.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 10 March 2025.

Sienna Mahboobani

Ombudsman