

The complaint

Mr E complains that Nationwide Building Society failed to support him with his gambling addiction.

What happened

Mr E says that due to some very difficult personal circumstances, he began gambling to excess online in 2020 and that he sought help towards the end of 2021. But despite registering with an organisation which restricted his access to gambling sites, he still managed to find a way around the restrictions to continue gambling.

Mr E reports spending around £50,000 on gambling over this period and so he complained to Nationwide in 2024 about its failure to intervene. He questioned why Nationwide didn't notice the amounts he was spending, or his account behaviour – which he said was out of the ordinary. He told Nationwide that, had it placed restrictions on his account, he wouldn't have lost as much money as he did. He said he could have been made to realise he needed help sooner.

Nationwide didn't uphold Mr E's complaint. It said its website offered gambling support and showed consumers how to apply blocks to prevent gambling, and that it couldn't raise a chargeback as too much time had passed. It added that there was no unusual activity on Mr E's account and so it didn't think it had done anything wrong.

Mr E brought his complaint to our service and our Investigator upheld it in part. She said there were no obvious signs of financial difficulty which Nationwide should have picked up on. However, she said there were two missed opportunities for it to have intervened. The first was in 2020 when Nationwide applied a block to Mr E's card on one of his accounts. She said Nationwide should have called him at this point and offered support. The second opportunity was when Mr E called Nationwide – around 11 months later – to query the block.

Despite finding that Nationwide should have done more, the Investigator wasn't persuaded its intervention would have stopped Mr E gambling as he'd previously found a way around the gambling restrictions which he'd later applied. But she thought some distress and inconvenience had been caused by Nationwide's failure to speak with Mr E about his gambling during those missed opportunities. Because of this, she recommended Nationwide pay Mr E £200.

Neither party agreed with the Investigator. Mr E said he would like a higher amount of compensation – around 20% of the money he'd spent on gambling. And Nationwide said it had no right to contact a consumer to discuss multiple transactions made to the same merchant using their own money. It added it wasn't allowed to make outbound calls to discuss how a consumer had spent their money on an account that was in a credit balance. It said, as per its terms and the Payment Services Regulations 2017, the circumstances in which it could stop card payments were limited. Further, it said that when Mr E called in, he didn't express that he was struggling with gambling. Nationwide said the agent he spoke to asked if a transaction was genuine (as the block had been applied by its anti-fraud detection system), but there was nothing further for the agent to do during the call.

As no agreement could be reached, the case was passed to me to decide.

I issue a provisional decision. It said:

'Mr E believes Nationwide should have picked up on his account activity, particularly the frequency of the gambling transactions he was making, and stopped him. I can understand Mr E's point here, particularly as he was vulnerable at the time and, from what he has told our service, unable to control his gambling. But banks and building societies don't generally have automated processes in place to monitor accounts for gambling transactions; many people gamble without issue, and I'd expect Nationwide to have processed any payment request Mr E made, apart from in quite narrow circumstances where, for example, it suspected fraud. Further, I don't think there were any signs to Nationwide of financial difficulty at the time – such as regular or prolonged unarranged overdraft use.

Given what I've said above, particularly about gambling being a legitimate activity for consumers to use their accounts for, I'm not minded to direct Nationwide to refund any or all of Mr E's gambling transactions. I don't think it would be fair for me to do so.

Unless someone at Nationwide had reason to look at Mr E's account activity, I can't reasonably expect it to have noticed the high frequency of gambling transactions he was making across his accounts. With that said, having reviewed the gambling transactions on Mr E's statements from around the time – sometimes as many as 50 payments, ranging from £30 to £100 in relatively quick succession – I think it would be clear to anyone reviewing his accounts, that an exploration of the gambling support on offer, such as restrictions or a referral to gambling charities or organisations, would have been appropriate.

Our Investigator found that Nationwide should have contacted Mr E when a block was first applied to one of his accounts in 2020. But I don't agree. I say this because the block was applied by Nationwide's anti-fraud systems, with limited – if any – human intervention, and so I'm not currently persuaded that anyone at Nationwide would have reviewed Mr E's accounts, or had reason to do so, at the time.

The fraud block affected Mr E's ability to make purchases online. Mr E switched to using his other Nationwide account for his online gambling transactions, but called Nationwide around a year later when the block affected a payment he needed to make. I've listened to the recording of the call Mr E made. The agent commented on the number of transactions which had been made to the same betting company during the same day. Mr E's statements show there were 15 payments made that day, increasing from £25 to £100, and totalling around £795.

Given the number of transactions, I'd have expected the agent to have probed further, exploring whether Mr E needed any support. But this wasn't done, and so I've gone on to consider whether there has been any detriment to Mr E as a result.

Fortunately, Mr E was eventually able to stop gambling, but not without overcoming significant difficulty. Mr E has explained that when he initially sought help from an organisation for his addiction, he found ways of getting around the gambling restrictions that had been applied to his account. In addition, when the fraud block mentioned above was applied, he was able to use a different account which he held with Nationwide to make gambling transactions. So, given what we know now, I don't think an intervention from Nationwide in 2021 would have stopped Mr E gambling at the time, but I do think it's likely an offer of support would have eased some of the distress he no doubt felt.

Because of this, I'm currently of the opinion that whilst Nationwide's failure to offer support

wouldn't have prevented Mr E gambling, it contributed to the distress he was experiencing during a very difficult time in his life. And so I intend to direct Nationwide to pay Mr E £100 to make up for the impact of its failing.'

Mr E responded to my provisional decision. He felt it was obvious that Nationwide had let him down. He pointed out he had two accounts with Nationwide and that Nationwide had allowed thousands of transactions on his other account without intervening. He felt it should have been apparent that he had a problem and that he was vulnerable.

Nationwide also responded. It disagreed that its agent should have been alerted to a gambling issue. It said this was because the block had been on Mr E's account for 11 months before he called Nationwide, the implication here being that the length of time which had passed between the application of the block and Mr E calling to have it removed wasn't indicative of someone with a gambling problem. It added that, given Mr E was calling to remove the block so he could pay a utility bill, there was nothing concerning about his behaviour which would have suggested he was desperate to access the account for the purpose of making gambling transactions.

It said the agent's priority during the call was to ensure the fraud block was removed after fully satisfying herself that the transaction which caused the block was authorised by Mr E. It added that the agent wouldn't have carried out a full investigative deep dive into Mr E's other account holdings and it's unreasonable for such an exercise to be undertaken for each phone call where a temporary block had been placed on a customer's account due to potential fraud.

Nationwide said it is unreasonable to conclude the agent ought to have recognised Mr E had a potential gambling problem simply based on a transaction which was carried out 11 months earlier, particularly as the account was in credit and there was nothing to suggest those transactions might have caused Mr E financial difficulty.

I have thought very carefully about the responses from Mr E and Nationwide, and how they affect the findings I made in my provisional decision. I've commented on the separate points from both parties' responses 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 done so, I will be upholding this complaint in part. I realise this will not be the outcome either party wanted, and so I've gone on to explain how I've arrived at my decision.

I empathise with Mr E's position, and I'm sorry to hear how much his problem with gambling has affected him. However, for the reasons I've already covered in my provisional findings, I don't think it would be fair for me to direct Nationwide to repay Mr E's losses. I don't doubt that Mr E was vulnerable at the time, but I've only identified one instance where I think Nationwide had the opportunity to intervene and where it could reasonably have been expected to do so. It's for the impact of Nationwide's failing in that regard that I'll be directing it to compensate Mr E. And it is my findings around that missed opportunity which Nationwide has disagreed with.

Nationwide has said that the length of time between the block being applied and Mr E calling in – as well as the account being in credit – meant it wasn't necessary for its agent to enquire about Mr E's gambling. Further, it has said a full, investigative, deep dive can't be expected for every call where a fraud block had been applied. I note Nationwide's

comments, and I appreciate its position here. But to help explain why I think Nationwide's agent should have done more, it might be helpful for me to include part of the transcript of the call in question.

During the call, after the agent had taken Mr E through caller verification, she asked which account he needed help with. Once the correct account had been established, the agent said she'd go back so she could see why [the block had been applied]. In response, Mr E said it would probably be due to gambling. It was at that point where the agent said:

'That's what it was... there had been a few transactions at the time. On Christmas Day, actually. 25th of December. And I think, just because there were so many, it put a block on the card.'

The agent then asked Mr E if the transactions were his, to which he slowly and hesitantly replied 'Yes'. He added a further comment, though it's not clear from the recording exactly what he said. Nationwide has indicated he said the transactions were all 'In the moment.' I think this, or something similar in content or sentiment, is likely what Mr E said, and I'm of the opinion that this explanation was offered by Mr E in defence of the number of gambling transactions he made. I say this as I see no other reason why this information would have been volunteered.

There are a few elements of this call which strike me as concerning. Firstly, that the agent commented on the number of transactions – specifically, she said there were 'so many'. I think this implies she noticed a frequency of gambling transactions greater than what could reasonably be deemed typical. It's worth remembering that the agent's own interpretation of the situation was that there were so many transactions that Nationwide's fraud prevention systems suspected fraud and applied a block. Whether or not that was the reason behind the block's application, the agent clearly felt it plausible that there were *so many* gambling transactions to the same betting company, that Nationwide's systems felt Mr E may have become a victim of fraud. So, I think it's reasonable to infer from the agent's comments that she realised there was an unusually high number of transactions, and that they were for gambling.

Not only did the agent herself notice, and comment on, the number of transactions, she also commented on the date – seemingly surprised that the transactions took place on Christmas Day, a day not typically associated with gambling. When asked if the transactions were his, Mr E's response was hesitant, and he volunteered a defence without being asked to do so. With this, along with what I've said above, I think there was enough information available for the agent to have suspected that all may have not been well with Mr E's gambling. Given the tone and contents of the call, Mr E's ready defence, and an awkward pause after Mr E's statement that the transactions had been 'in the moment', I think it's likely the agent *did* suspect Mr E needed help.

Nationwide has pointed out that the block had been on the account 11 months prior to Mr E's phone call, but I don't think this negates what I've said above. People with a gambling addiction may have more than one account from which they gamble – as was the case here. Just because activity ceased on one account, doesn't mean it stopped entirely. Mr E's main account was also held with Nationwide and, had the agent started a conversation about whether Mr E needed help with his gambling, I think it's likely the level of gambling transactions across all of his accounts would have come to light, and the depth of his addiction uncovered. I think it's telling that Mr E knew a transaction from 11 months was probably in relation to gambling, without any prompt from the agent. I think this alone should have put the agent on notice that Mr E may have gambled excessively.

I think it's important to also mention that whilst a debit balance may indicate financial

difficulty, a credit balance doesn't demonstrate the absence of a gambling addiction – as implied by Nationwide in its comments around Mr E not being in any obvious financial difficulty. And, in this particular case, there were other signs which pointed towards Mr E needing help.

Nationwide has said it isn't reasonable to expect a full investigative deep dive on every call – and I agree. But I think it is reasonable to expect an agent to probe further where there are clear signs that a consumer is having difficulty controlling their gambling – as there were in this call. I don't disagree that the agent's priority was to establish whether or not Mr E had been a victim of fraud, but once the agent had satisfied herself that fraud likely wasn't a factor, having seemingly realised that unusual activity had taken place, I think the next step was to check on Mr E's wellbeing in relation to his gambling.

While it isn't for me to specify the minutiae of how Nationwide should handle these kinds of interactions, I think a question around whether gambling was a problem for Mr E would likely have sparked a conversation about his issues and needs. Mr E had already tried to explain away his gambling transactions as being 'in the moment', thereby bringing his motivations and state of mind into the conversation. And, as he began his journey to stop gambling not long after the events of the call at the centre of this complaint, I'm persuaded Mr E may have already begun to question his gambling and whether he needed help, which I think would have made him more likely to open up had he been asked whether he needed help. I think this would have led to a referral to gambling charities, or with Mr E exploring other gambling prevention services, such as a gambling block.

I think Nationwide's failing here has affected Mr E, though not to the extent that a direction to Nationwide to repay Mr E's gambling losses would be fair. As explained in my provisional decision, I think some careful questioning from Nationwide's agent would have acted as support for Mr E, likely helping him to talk about his gambling issues, thereby easing some of the distress he felt. But given he found ways around the gambling restrictions he later utilised, I don't think an intervention at this point would have stopped his gambling altogether. Based on the impact I think this failing had on Mr E, I've seen nothing that persuades me I should deviate from the £100 I had planned on directing Nationwide to pay.

My final decision

My final decision is I uphold this complaint in part and direct Nationwide Building Society to pay Mr E £100, within 28 days of his acceptance of this final decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 22 July 2025.

James Akehurst
Ombudsman