

The complaint

Mr G complains Nationwide Building Society didn't do enough to support him with problem gambling.

What happened

Mr G has an account with Nationwide. His account doesn't have an overdraft and isn't meant to go overdrawn. In other words, it's a basic account. He also has accounts elsewhere.

Mr G says he was signed off in 2022 for poor mental health following an assault at work. He says his already poor mental health declined rapidly at the beginning of 2023 at which point he started to use his account with Nationwide to gamble online and to do so extensively. He says that Nationwide didn't intervene despite him mentioning his poor mental health, his vulnerabilities and his gambling. He says Nationwide should have done so not least because it should have noticed a sudden increase in unusual spending. He complained to Nationwide about its failure to intervene saying he'd made net losses of over £20,000 as a result.

Nationwide looked into Mr G's complaint and said that it should have referred him to its specialist support team when he got in contact in November 2023. Nationwide offered Mr G £150 in compensation for not having done so by way of an apology. But it said that gambling wasn't a prohibited activity, that it didn't monitor accounts for gambling and that his spending wasn't so unusual that its systems would have flagged his activity. In other words, it didn't agree that it should have intervened based on the amount Mr G was gambling. Nor did it agree that it should have intervened on account of income and expenditure checks it carried out. Mr G wasn't happy with Nationwide's response and so complained to our service.

One of our investigators looked into Mr G's complaint and said that they thought Nationwide's offer was fair and reasonable. Mr G wasn't happy with our investigator's recommendation and asked for this complaint to be referred to an ombudsman for a decision. His complaint was, as a result, passed to me.

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.

I've looked through Mr G's statements for 2023 and 2024 and listened to a number of calls he had with Nationwide. Having done so, it's clear that Mr G's account with Nationwide isn't his only account – it's clear he has a number of accounts elsewhere – and it's clear that he has borrowing elsewhere too. Notwithstanding this, I can see Mr G uses his account with Nationwide extensively, regularly transferring money in and out and spending online and in person. To put it another way, it's a very active account. I can also see that he gambles on a regular basis – and pays what appears to be winnings into his account too – although the extent to which he gambles might not have been obvious to Nationwide (even if it had been monitoring) given that a lot of his gambling appears to have been online and at times he appears to use wallets to fund payments. More importantly, I agree with our investigator that none of the activity on Mr G's account – subject to what I'm about to say – ought to have been concerning to Nationwide as I agree that none of it was sufficiently unusual to flag.

In November 2023 Mr G's account went overdrawn because a refund he'd received for an ATM dispute was reversed. His account doesn't have an overdraft so that is something that I agree was unusual. I can, however, see that Mr G spoke to Nationwide about this in order to agree what to do about his unauthorised overdraft. I agree with Mr G that he mentioned his poor mental health when speaking to Nationwide about his unauthorised overdraft and mentioned his gambling when going through his income and expenditure. He told Nationwide that he used to gamble and allowed himself £100 a month to spend on gambling and leisure and briefly mentions self-excluding himself from gambling. I can see why Nationwide has said it wouldn't have expected its agent to cross-check what Mr G was saying against his statements when taking him through his income and expenditure as his answers were reasonable. More importantly, I think the agent asked the right questions including checking they could make a note of what Mr G had said about his mental health.

Nationwide has said that its agent could have offered to speak to Mr G in more detail about his PTSD. So, it offered £150 as an apology for not passing him onto its specialist support team. I can see that Mr G didn't accept Nationwide's offer, and that he's complained to us as he feels it's inadequate – he wants his gambling losses refunded. I am, however, going to require Nationwide to pay the £150 it has offered so that Mr G has the option of making Nationwide's offer legally binding by accepting this decision should he wish to do so.

My final decision

Nationwide Building Society has made an offer to pay £150 to settle the complaint which is fair. So, my decision is that Nationwide Building Society should pay Mr G £150.

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

Nicolas Atkinson
Ombudsman