

## The complaint

Mr H complains that Barclays Bank UK PLC hasn't addressed his gambling addiction or taken his attempts to tackle the problem seriously. He complains that Barclays didn't block gambling transactions and wants his gambling transactions refunded for the last five years.

## What happened

Mr H said he's lost two thirds of his savings through using gambling as a coping mechanism away from events in his life. He said he's completely distraught, and never felt so low before. He said he has relocated a long way from home for work and hasn't settled as his problems are always on his mind and his gambling has affected family and working relationships.

Mr H said Barclays failed to provide him with any kind of support, whereas the Financial Conduct Authority's Consumer Duty requires banks to consider customers' vulnerabilities (including problem gambling) to ensure a good outcome. He said banks must identify problem gamblers at the first stage, communicate appropriately and provide support such as a gambling block. But Barclays, *'acted severely irresponsibly in accordance with the cross-cutting principles, as well as their role in the firm consumer relationship'*.

Mr H said Barclays failed in its duty of care and should refund his gambling transactions and withdrawals. He also wants an explanation and apology as to how it's acceptable to allow a customer to lose a lot of money very quickly without a warning. Mr H provided a spreadsheet showing his gambling over a year, and in comparison to his normal expenditure. He said he lost over £40,000 between April and August 2024. He said this showed his binge gambling, with the lowest month of expenditure being £2,700, and the highest being over £30,000.

Barclays spoke to Mr H about a transaction to an overseas firm, but once ascertained as a gambling transaction, he was asked if he gambled frequently, which he acknowledged, and he said that was the end of the matter. Mr H said a person using a foreign gambling firm should have alarmed Barclays and raised many questions as it appeared desperate.

Mr H said Barclays ignored his request for a block on gambling five years before, and when he complained it dismissed anything he said pretending nothing happened. He said Barclays had provided *'substandard communication, and on occasions, falsified information, and unkept promises'*. Mr H said he found it impossible to believe a member of Barclays' staff said, *'could you please help me understand how is Barclays responsible for the spending?'*

In its response, (which Mr H says was 11 days after the set date to respond) Barclays said no markers were added to Mr H's account for gambling sites before one was added on 7 August 2024. Barclays said it can't dispute any transactions before then, which Mr H described as *'deeply dissatisfying and morally incorrect'*. Barclays said there are some support markers for health issues and financial commitments on Mr H's account and he should say if there's any additional support it can offer. Mr H said Barclays' response shows the lack of empathy, care and understanding he has received throughout.

Not being satisfied with Barclays' response, Mr H referred his complaint to our service. He said he accepted some personal responsibility and five years before had requested a

gambling block on his account via a call with Barclays and signed up to a gambling self-exclusion service. He said Barclays couldn't explain why gambling transactions followed, but it must be because the block wasn't applied and had it been he wouldn't be in this situation.

Our investigator didn't recommend the complaint be upheld. He said between April and August 2024, Mr H gambled quite frequently via various methods. On 16 July 2024 he contacted Barclays concerning two suspect transactions. He said Barclays asked if he gambled frequently, but following his confirmation, no further action was taken.

The investigator said Mr H contacted Barclays on 5 August 2024, explained his gambling issue and requested a block on gambling transactions. However, he turned off the gambling feature on his debit card the next day, as any customer can. On 9 August Mr H contacted Barclays to dispute £22,215.69 of transactions related to his gambling between 15 July 2024 and 5 August 2024. Barclays responded on 22 August 2024 not upholding his complaint.

The investigator couldn't find any evidence over several years of Mr H making an instruction, or conversation, about a block on his account and Barclays hadn't done anything wrong in not applying a block. But even if there had been a block, the investigator said Mr H would still have been able to transfer funds between his accounts and so a block wouldn't have prevented him from gambling – although it might have been more difficult on this account.

Mr H thought Barclays ought to have identified the gambling transactions as unusual and protected him. The investigator said banks are required to protect customers from fraud, but there wasn't fraud here. He said, under the Payment Service Regulations 2017 a bank must carry out a customer's payment instruction. And when Barclays contacted Mr H in July 2024, it was to verify the transactions and there was no mention of an addiction to gambling.

The investigator said that gambling is legal, and the bank can't prevent this. It is not for the bank to control a customer's decision on how to legitimately spend their funds. Even with intervention the investigator thought it more likely than not that Barclays wouldn't have been able to prevent Mr H gambling. He said that as complaints' handling is not a regulated activity, we can't investigate the dissatisfaction Mr H has raised about this any further.

Mr H disagreed with the investigator and requested an ombudsman review his complaint.

### **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 was sorry to learn about Mr H's gambling addiction and the personal and work-related problems he has described to us. Mr H has said he strongly disagrees with the investigator, but he hasn't given any reasons for this. I have looked at all of his and Barclays previous submissions.

Mr H says Barclays failed to intervene when there were signs of gambling addiction and as a consequence, should be responsible for his gambling losses. Barclays said it wasn't alerted to Mr H's problem and didn't see the signs and acted correctly to his payment instructions.

Mr H said banks have a duty to recognise and consider the impact that a vulnerability such as mental health issues and problem gambling may have. He said banks need processes in place for identifying and reacting to gambling vulnerability at the earliest stage. He said banks also have a duty to communicate effectively with their customers. And there are principles of the Consumer Duty which require firms to act in good faith towards customers;

avoid causing foreseeable harm and enable and support customers to pursue their financial objectives.

Mr H said banks should spot binge gambling, intervene and offer support to their customers in some way. But said that Barclays ignored his spending and accepted no responsibility for his situation. He said he was allowed to make gambling transactions without any contact or systematic notifications despite reaching out to Barclays on many occasions to talk about his problems. Mr H said if Barclays had intervened and blocked transactions his gambling would have stopped.

From July 2023 the Consumer Duty requires firms to consider customers' vulnerabilities. Banks and other firms need to 'monitor consumer outcomes' and use insights to take action to prevent foreseeable harm. However, banks can't stop customers making authorised debit card payments and so they don't generally monitor customer accounts for gambling activity as gambling is a legitimate activity. Banks are required to intervene in transactions where there is a suspicion of fraud but won't be liable for customers' spending patterns.

And so, a bank is only likely to act on a potential vulnerability when it is made aware of a problem, or the customer's account is in difficulty. Mr H said he made Barclays aware of his vulnerability, and we expect banks to help customers who reach out with problems such as gambling addiction, but Barclays said there's no evidence to suggest such a conversation took place before 2024.

I have looked closely at Barclays' records and have seen nothing to show that Mr H raised an issue to Barclays about his spending on gambling or asked Barclays to apply a block on gambling transactions in the years before his complaint. Account holders can use the gambling restriction tools on their accounts themselves, but I haven't seen that Mr H did so before 2024, or that he self-excluded from gambling operators.

Barclays questioned Mr H about the overseas transactions from his account in July 2024. Mr H said this was the only time Barclays contacted him about any transaction. Barclays intention was clearly to verify the transactions and there was no mention of addictive gambling. This conversation began in 2024 when Mr H called Barclays and said he'd lost a lot of his savings through gambling and didn't know what to do. During the call Mr H requested a block on gambling transactions but didn't mention any previous block.

A card payment block works by stopping payments to identified merchant types from a debit card, not by direct transfer. There are limits to the reach of gambling blocks. In common with all banks, Barclays isn't able to, and doesn't guarantee that all payments will be blocked.

Barclays has to support customers that are in financial difficulty. I take Mr H's point that his gambling at its highest level was unsustainable, and in other periods gambling transactions were a consistent part of his activity. However, I haven't seen anything to suggest financial difficulties, (such as unauthorised overdrafts and returned payments) and so there was no need for Barclays to intervene for this reason.

In terms of banks' responsibilities, it is worth reiterating that the underlying requirement is not to control what a customer is spending their money on but to facilitate legitimate payments. There remains a high level of personal responsibility on the consumer to address their harmful gambling. Mr H says he has now self-excluded from gambling operators and I hope he maintains this approach as it appears to be the most effective means to tackle the issue.

Having said all this, I would like to have seen Barclays asking Mr H if he was comfortable with his gambling expenditure and signposting him to the available addiction support. But this wasn't a requirement here and I can't be sure that it would have made any difference. In

conclusion, I can well understand Mr H's concerns about his gambling and the impact on his finances, but I haven't found that Barclays acted outside of the regulations or treated him unfairly and so it would be unfair for me to require Barclays to take any action.

Our service investigates the merits of complaints on an individual basis, and that is what I've done here. I think it's important to explain that my decision is final. I realise that Mr H will be very disappointed by this outcome though I hope he appreciates the reasons why it had to be this way. By rejecting this decision all options remain open to him including legal action should he wish to pursue this approach.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 7 May 2025.

Andrew Fraser  
**Ombudsman**