

The complaint

Mr C complains that Nationwide Building Society ('Nationwide') failed in its duty of care towards him as a vulnerable customer when it failed to intervene when he was spending a significant amount on gambling sites.

What happened

Over the course of a single day, using his Nationwide account Mr C placed a series of large bets, mostly for £500 a time, with three different betting sites. After he'd spent more than £9,000, including £3,500 in less than five minutes, Nationwide declined his next £500 transaction to a gambling site.

The restriction was removed however and the transaction approved and allowed to proceed.

Mr C complained to Nationwide, saying it should compensate him for failing to intervene or contact him when he was evidently acting destructively and placing a series of large bets. Nationwide didn't uphold his complaint. It mainly said that Nationwide hadn't done anything wrong as there was no reason for his transactions to flag up on its fraud systems. Nationwide put Mr C in touch with its specialist support team, set up to offer help to customers struggling to manage their money.

When Mr C brought his complaint to the Financial Ombudsman Service, ultimately our investigator thought Nationwide didn't need to take any further action. The investigator had been concerned at first that Nationwide shouldn't have allowed the previously blocked £500 payment to go ahead. But she changed her mind when she saw information suggesting that Mr C had unblocked the card restriction himself.

Mr C disagreed, mainly saying that his spending pattern on the day should have given clear cause for concern and he felt strongly that Nationwide fell short of its published commitment to prevent customer harms and protect vulnerable customers. He said it wasn't enough for Nationwide to send '*...just a message clearing up whether I'm the one making the transactions.*'

Mr C would like an ombudsman review, so his complaint comes to me to decide.

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.

This is a very difficult situation for Mr C – he has described the impact on him of what happened that day and I sympathise. I agree that it's reasonable to expect Nationwide to play its part in providing support and assistance to customers to help manage responsible gambling. But having thought carefully about everything here, I've reached the same conclusions as the investigator. I'll explain my reasons.

We provide an informal complaint handling service. My role is to consider the evidence presented by the parties and reach an independent, fair and reasonable decision based on the facts of the case and the evidence provided by both sides. In order to uphold Mr C's complaint I would have to find that Nationwide made an error or acted in a way that wasn't fair and reasonable and this led to Mr C suffering financial loss or some other detriment. So this is the focus of my decision.

Mr C was aware that he was able to set up a gambling block on his Nationwide account and this was a feature Nationwide offered that could help him to manage his gambling spending. I understand that he'd switched this on previously. But he'd subsequently switched it off and during the period Mr C complains about, the gambling block on his account was deactivated.

I wouldn't reasonably expect Nationwide's fraud detection system to routinely flag up payments unless it had some reason to suspect the transaction might not be one genuinely authorised by Mr C. Here, Mr C isn't disputing that he authorised the payments he was making to gambling sites. As I understand it, the crux of his complaint is that Nationwide should have seen his spending pattern that day and (in his words) identified it '*...to be dangerous, reckless and not fitting with someone in their right mind.*' Mr C doesn't recall Nationwide doing anything to disrupt his spending that day.

I've no reason to doubt that Mr C is certain about what he's told us. But I make my findings on a balance of probabilities, in other words, what is more likely than not, based on the evidence that has been provided by the parties. I've seen information from Nationwide that shows Nationwide blocked what would have been the eighth consecutive £500 payment to one of the gambling sites in the space of barely five minutes. And Nationwide has shared details from its system records that indicate Mr C unblocked the restriction himself after Nationwide prevented the transaction. Mr C viewed a message in Nationwide's mobile banking app which included information saying his card was temporarily blocked for security. He straightaway 'approved' the message which enabled the transaction to proceed. On balance, I am satisfied that Mr C authorised the transaction Nationwide had blocked. So I can't fairly say that Nationwide was wrong to allow that £500 payment to proceed.

I can see from the records provided that Mr C attempted to continue spending. His next £500 payment, first attempted less than a minute after he'd successfully unblocked the restriction on his card, was prevented when Nationwide restricted his card again. Mr C tried again later that day and made further attempts in the early hours of the following morning – but the restriction Nationwide had put in place successfully prevented him spending further on his card during this episode of gambling spending.

I don't think Nationwide had particular reason for concern generally about Mr C's spending. There were no significant signs that Mr C's spending was causing him financial distress – he had savings to draw on to fund his spending. And I think Nationwide treated him in a fair and reasonable way. When Mr C complained, Nationwide responded to his disclosure about his vulnerability to spend compulsively on gambling activity. Nationwide explained ways it could support Mr C and passed on his details to the relevant team.

After taking into account everything that Mr C and Nationwide have told me, I haven't seen enough to show that Nationwide did anything wrong or that it treated Mr C in a way that wasn't fair and reasonable. I don't think Nationwide's reasonable and proportionate checks would have revealed this was a problem for Mr C before his gambling spending got out of hand on the day in question – and the same day, it took action to limit his ability to spend compulsively by restricting his card, including reinstating a block on his card after he'd removed it.

I've thought about whether Mr C would have stopped gambling sooner had Nationwide intervened earlier but Mr C doesn't remember the first time it blocked his account that day – when he approved the spending and unblocked the account himself. So, I think it's likely that any earlier intervention would have likely had the same result.

So I can't uphold this complaint. It follows that I can't tell Nationwide to refund the £500 payment Mr C unblocked or take any further action.

I hope that setting things out as I've done helps Mr C understand why I have reached my conclusions. Mr C didn't agree to Nationwide formally noting his support needs on his record when this was first suggested – if that's still the case, I think it's worth highlighting here that this could put Nationwide in a better position to flag up the need for assistance should Mr C find himself struggling to manage a compulsive spending episode. And just a reminder that Nationwide offers the option of switching on a gambling block to help customers limit gambling spending.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 15 May 2025.

Susan Webb
Ombudsman