

The complaint

Mr G complains about the actions of Nationwide Building Society in relation to an overdraft he had with it.

What happened

Mr G took out a student account with Nationwide, which has an overdraft facility of £1,000.

Mr G says he used the account excessively for gambling transactions and Nationwide should have stepped in and offered him help and support. He says he asked Nationwide about adding a gambling block to the account, but he said he wasn't provided with any support, nor was he signposted to organisations that could help.

Mr G adds that he attempted to close the overdraft account on many occasions but wasn't able to due to the overdraft still outstanding. He said he wasn't provided with any alternative solutions.

Mr G says he borrowed the money to repay the overdraft so he could close the account. Nationwide said it would take three to five days for the account to be closed. And because of the length of time it took for the account to close, he used the account again.

Mr G feels that if Nationwide had supported him better, he wouldn't have been in the position he is now, and he wouldn't have been able to spend so much gambling.

Nationwide responded to Mr G's complaint, however it didn't think it had done anything wrong. It said that if Mr G had contacted it earlier about the problems he had with gambling, then it might have been able to help him. It also explained that Mr G's account was with its collections and recovery team, and he needed to contact it to arrange repayment of the outstanding debt.

An Investigator considered what both parties had said, but they didn't think the complaint should be upheld. They explained that because Nationwide wasn't aware of Mr G's situation with the gambling, it couldn't have done anything to help him. They also found that Nationwide had made attempts to contact Mr G, but it hadn't heard anything back from him.

Mr G didn't agree with the Investigator's view. He reiterated that the delay in it closing his account led to him being able to continue to use the account for gambling transactions. He said that Nationwide was aware of his problem at this time because he had been into branch to pay off what was owed. He also adds that Nationwide didn't provide information on its website about gambling blocks at the point he was using the account, and this was only introduced in December 2024.

Because an agreement couldn't be reached, the complaint has been passed to me to decide on the matter.

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 considered everything available to me, I've decided not to uphold Mr G's complaint.

Most banks don't manually monitor the spending activity on accounts – there isn't anything inherently unfair about this. So, unless there was something which caused it to review an account, it wouldn't automatically know that an account had been used for excessive gambling transactions. Or that there was a potential problem.

I have reviewed some of the statements of Mr G's account, and it is clear that it was being used for a large amount of gambling. That being said, I haven't seen anything that makes me think that Nationwide ought to have been aware of this. Mr G has confirmed himself that he didn't explicitly tell Nationwide about his problem until more recently. And I haven't seen anything in the statements that ought to have prompted Nationwide to have monitored the account. I have seen that Mr G did sometimes go over the agreed overdraft limit, but this was quickly brought back in line with the account limit on each occasion, so I don't think it likely this would have prompted Nationwide to check the transactions.

Even if I were to accept that Nationwide ought to have noticed that the account was being used for excessive gambling transactions and if I was to make the finding it should have stepped in sooner; to put things right, I would have ordered Nationwide to refund any interest and charges Mr G incurred. But because this was a student account, no interest or charges have been applied. Essentially what I'm saying here is that even if I thought Nationwide had done something wrong, which to be clear I'm not saying it has, I wouldn't ask it to do more for Mr G because he hasn't been charged for the use of the overdraft, and in the circumstances of this complaint, I wouldn't have asked Nationwide to write off the debt.

I can see that Nationwide took the decision to close Mr G's account in June 2023, following a fraud investigation. From what I've seen, this is the earliest point in time I think Nationwide ought to have had cause for concern about the number of gambling transactions on the account. And I can see that it made the decision to close the account at this point in time, providing 60 days' notice. This has prevented any further transactions from happening on the account.

I understand Mr G has said that he tried to close the account previously, when he borrowed money to pay off the balance. He's said the account took too long to close, and so he used it again in the interim which prevented it from closing and meant he could complete further gambling transactions. I haven't seen any evidence of Mr G trying to close the account. But even if I accept what Mr G has said at face value, I don't think it would have been unreasonable of Nationwide to have taken three to five days to close the account. I accept that this might have caused Mr G problems with him continuing to spend on the account, but I don't think I can fairly find that Nationwide is responsible for this.

I can see that Nationwide has tried to get in touch with Mr G about repayment of the account – sometimes to an email address that Mr G says he doesn't use. However, I am aware that Nationwide has used other methods to try and contact Mr G, so I don't uphold this part of his complaint either.

There is still an outstanding debt on this account, and Nationwide has tried to contact Mr G about repaying it. I suggest Mr G contact Nationwide to discuss a way forward. Not doing so could result in the account defaulting.

My final decision

For the reasons set out above, I don't uphold Mr G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 19 August 2025.

Sophie Wilkinson
Ombudsman