

The complaint

Mr L is unhappy with Bank of Scotland plc trading as Halifax.

Mr L said Halifax had been negligent and failed in its duty of care to him as a vulnerable customer. Mr L said Halifax was aware of his gambling addiction but didn't do enough to protect him or his bank account.

He would like Halifax to refund him all of his gambling losses.

What happened

Mr L said Halifax could have easily prevented the situation. He referred to Financial Conduct Authority (FCA) principles, Consumer Duty, and guidance around the fair treatment of vulnerable customers.

Mr L said he had taken steps to limit his ability to gamble and control his addiction. He confirmed he's registered with Gamstop to prevent registration with gambling companies. Mr L also said he's registered with Gamban for software that prevents access to gambling websites. He's registered for gambling support with the NHS and he said Halifax is aware of these measures.

Mr L said Halifax didn't signpost him to services it offers that would have prevented him from gambling. He noted his Gamstop registration was due to expire in September 2025 and he said Halifax wasn't proactively reaching out to him at that time or in advance.

Mr L claimed Halifax should have acted due to his use of credit, his expenditure, and his binge gambling. Mr L said the gambling freeze (or block) on accounts *"is fundamentally flawed in that someone with an addiction can easily switch it on and off- Turning the control off in my opinion should in itself be an indication to a bank for proactive communication when someone is vulnerable."*

Mr L said this service had been inconsistent in approach and findings regarding gambling complaints. He wants back all gambling related losses, charges and interest from the date Halifax claim it was aware of his addiction in July 2023. He wants Halifax to have better systems monitoring vulnerable customers. Mr L wants a formal apology and acknowledgment it didn't provide enough support.

Halifax apologised and paid Mr L £100 without any admission of liability. It confirmed it recorded his gambling addiction in July 2023 and applied the appropriate support measures to help protect him. It confirmed, *"When the gambling freeze was active on his account, transactions to gambling merchants were correctly declined, which shows that the controls in place were working as intended."*

It continued, *"the gambling freeze is a tool that requires his engagement to remain effective. When the freeze is removed, we are unable to block gambling transactions, as this functionality is designed to give customers control over their own account settings."*

Halifax noted the transactions and spending on the account were genuine and not fraudulent. Mr L accepted that in telephone discussions with Halifax. It said it would be inappropriate to stop transactions without customer authority. It mentioned the gambling freeze which can be added through internet banking, mobile app, or telephone banking.

Halifax concluded Mr L might want to consider setting a spend limit on certain transactions or change his debit card to prevent spending online. It referred him to all the external support functions Mr L has referred to above.

Mr L remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. She said Mr L's funds are his and he should be able to spend these as he wishes. She said Halifax had done as much as it could. Our investigator referred to call recordings where Mr L discussed his gambling issues and the support options available that Mr L was clearly already aware of. Our investigator noted Mr L knew his way around the limitations of the gambling blocks during the call and she noted Mr L had often used faster payments and these were able to get around the freeze/block. She didn't think Halifax were required to intervene. She accepted Mr L knew how to get around the blocks and didn't think Mr L would have agreed to any further restrictions on his account.

Mr L didn't accept this and asked for his complaint to be passed to an ombudsman for a final decision.

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.

There's been a lot of detailed correspondence around the evidence, rules, and regulations for which I'm grateful. But this is an informal service so I'm not going to comment on everything included within this complaint. Instead, I'm going to stick to what I think are the central points that apply. I can confirm all the evidence provided by both sides has been considered.

Through a claims management company Mr L informed Halifax he wanted a refund of all gambling losses made between October 2024 and October 2025.

Mr L made a point throughout about one transaction that Halifax had stopped. He said it was a perfectly normal transaction and if Halifax could stop that it could stop his gambling transactions. When Mr L raised his concern during a phone call after the final response that Halifax had blocked a normal transaction for a fraud check it confirmed *"we don't pro-actively contact customers in this position."*

In response to the view Mr L said our investigator ignored evidence and was selective in the call recordings she listened to. Mr L said he was unaware of the full list of prevention measures Halifax was offering. He said this service should train its staff to have a better understanding of how addiction works.

Halifax maintain that it first recorded Mr L's support needs in July 2023. Mr L is sure he made it aware earlier. In relation to when it became aware Halifax said the discussion was due to Mr L making gambling transactions by faster payment. It noted, *"He also told us that he had software installed on his computer to help control his gambling."*

At that point Halifax told Mr L it was unable to block faster payments, they were within his spending limits, and he informed it he was receiving support for his gambling. So, no other measures or action was discussed at that point. In tandem with that I note Mr L sent this service his Gamstop registration which stated on the document he could talk for free to a helpline adviser and be offered gambling blocking software for his devices.

Halifax said the freeze (block) was added and removed multiple times in September 2025 by Mr L. It confirmed at all times the freeze was in place gambling transactions were correctly declined. It said, *“Prior to the freeze, gambling transactions were processed, and the customer raised several digital disputes. I assessed the customer’s financial position, which appears stable with priority bills paid and a healthy balance.”*

Halifax maintained it, *“would only intervene if there were appropriate restrictive indicators on the account, or there were suspicions of fraud. If neither of these were evident then it is unlikely that gambling payments would be stopped unless the customer has applied a gambling freeze to their account. The gambling freeze will only restrict Debit card Gambling payments that ID as gambling transactions.”* I think that’s clear and Mr L was aware of this.

Halifax said there was a long term pattern of gambling activity on Mr L’s account. And said Mr L notified it of his *“gambling dependency”* in 2023, and it had a further discussion with him again in 2024 following multiple debit card disputes. Mr L told this service he had been subjected to scams.

Halifax was clear on the dates Mr L added and removed his account freeze and the transactions that took place when Mr L had removed the freeze. It confirmed once the freeze or block is removed it can’t prevent Mr L going ahead with the transactions or using merchants that don’t use identifiable gambling codes.

It also noted Mr L, *“makes faster payments to gambling platforms, which cannot be blocked by a card freeze. Our fraud detections systems would not automatically stop payments of this type if there were no high-risk identifiers.”*

Halifax said, *“There is no legal requirement or court order that allows the bank to permanently enforce a gambling block; it is a voluntary control feature that our customers manage at their own discretion.”*

It said it appreciated the challenges Mr L faces and remains committed to supporting him but concluded, *“our ability to help is limited when restrictions such as gambling blocks are removed by the account holder or when we are not approached to make changes or apply additional safeguards.”*

From the early conversations between Mr L and Halifax it appears to me both sides were aware of what the options were and what the limitations of those options were too.

Based on the evidence provided I think Halifax acted reasonably. It provided the details to Mr L around what it could do and couldn’t do. And it’s clear he was already aware of how he could get around the freezes and blocks even when they were in place.

I accept Halifax point that it can’t just block authorised payments customers want to make. As it stated the account had its bills paid and a healthy balance. I’ve no reason to doubt this. Mr L referred to overdrafts but I reviewed the account and see that there were a couple of times the account was in overdraft but these were short and for small amounts. I can’t see any indicators Halifax missed.

I also note Halifax's position that banks don't individually monitor accounts regarding gambling although I understand Mr L's point that he thinks banks should. But I accept what Halifax said here.

Mr L said when his registration with the gambling prevention agencies were coming to an end Halifax should have been contacting him. But I don't think that's the responsibility of Halifax so I can't say that it acted unfairly or unreasonably. I don't think it gave Mr L any indication it would do so and I've no details to suggest any such arrangement was in place.

There isn't any evidence to show that Halifax should take responsibility for Mr L's gambling transactions. Mr L was aware of and using the gambling prevention agencies and told Halifax he had software installed to control it. He was also aware of and able to use the gambling freeze on this account.

It's clear Mr L was aware of the options and so I don't think it would be fair to now state Halifax made errors and didn't inform him of other options he had. Mr L showed this service details confirming he had been in touch with the appropriate gambling prevention agencies as far back as 2020. He'd referred to software he had to Halifax and the details he provided this service backed that up. I won't be holding Halifax responsible based on the details provided, its freeze worked when it was in place, and it wasn't in control of the software Mr L had access to courtesy of the gambling prevention agencies.

I think the £100 paid by Halifax to Mr L as an apology was reasonable.

My final decision

I don't uphold this complaint.

I make no further award against Bank of Scotland plc trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 21 May 2026.

John Quinlan
Ombudsman