

The complaint

Mrs K complains that Barclays Bank UK PLC didn't respond properly and treat her fairly following changes in her current account usage.

What happened

Mrs K held a Barclays current account which also had an agreed overdraft facility attached to it. Mrs K has said she has a problem gambling condition. She argues that Barclays failed in its duty of care towards her by not identifying she was problem gambling, and so failed to take appropriate steps to help her. Mrs K says her worst period of gambling was from June to December 2024, but she would like her account activity from January 2023 considered.

Barclays went on to subsequently close her account in April 2025. Mrs K argues it should have taken this step sooner and as a result of Barclays lack of action, she continued to gamble and has since entered a debt management plan. My understanding is Mrs K would like Barclays to refund the gambling transactions from the point it should have intervened onwards.

Barclays considered her complaint and upheld it. It agreed that it should have identified her concerning account activity, based on the volume of gambling transactions, from around September 2024 onwards. It therefore offered her £500 compensation. In addition, it also offered an additional £150 for failing to raise her complaint sooner.

Mrs K referred her complaint to our service. One of our investigators considered the complaint and upheld it. They thought Barclays should increase the level of compensation given, but they didn't agree it should refund any of the gambling transactions on the account.

Mrs K didn't accept this as she didn't think it was fair compensation. She argued that the gambling transactions should be refunded. She also provided a copy of another Ombudsman's decision where the Ombudsman directed gambling transactions be refunded and she feels the circumstances of her complaint are similar.

Barclays also didn't agree to an increase in compensation. It has queried what impact earlier support would have had, particularly as Mrs K had shown she was able to circumvent the gambling block she placed on the account at times. It felt its offer of £500 compensation was sufficient in the circumstances (plus the additional £150 for how it handled the complaint).

As an agreement couldn't be reached, the complaint has been passed to me to consider.

For the avoidance of doubt, I am not considering Barclays' decision to close Mrs K's account in April 2025. From everything I've seen, this hasn't been raised as part of her complaint. However, Mrs K has argued it's an example of action Barclays could have taken sooner, as part of offering meaningful support to a vulnerable customer. So, I will consider this argument in my decision.

I issued a provisional decision where I explained that I thought there was also an earlier

point where I thought Barclays should have intervened. So I thought Barclays should pay Mrs K an additional £300 (in addition to what it had already offered - £500 + £150). In my provisional decision I said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, whilst I'm changing the compensation awarded by the investigator, I'm not requiring the refund of gambling transactions Mrs K has requested. I'll explain why below.

Barclays has said that given the volume of the transactions in September 2024, it should have reached out and offered support. So, it has accepted a failing from this point towards a vulnerable customer with a problem gambling condition. Whilst I agree the volume of transactions are concerning at this time, I think there was also an earlier point where Barclays could have intervened.

Overdraft reviews

As Barclays is aware, it has an ongoing responsibility to review the overdraft usage on a current account with an agreed overdraft which I can see it did in July 2023. Whilst there is no set time period for how often overdraft reviews should take place; I would expect these to at least take place annually if not more frequently.

Barclays has provided a letter it sent Mrs K dated 19 July 2023 explaining the outcome of its overdraft review. It said that although the agreed overdraft limit was high given the level of income coming in, it wasn't going to make changes to her overdraft limit at this time. So, it's clear that Barclays had completed a review in July 2023, and I therefore think it's reasonable that the next review was completed by July 2024.

As explained above, Mrs K has said her worst period of gambling was between June and December 2024. I've reviewed her bank statements from January 2023 onwards (which is the period she's raised in her complaint). Whilst I can see earlier gambling transactions, and some periods of multiple transactions, I'm not persuaded that Barclays should have intervened as a result of her earlier transactions. I think the volume of gambling starts to increase substantially from around February 2024 and by June 2024 until around January 2025 the volume of gambling transactions is significant and concerning. So, with respect to her gambling account activity, I don't think it's unreasonable that Barclays didn't take action as a result of its July 2023 review.

However, by the July 2024 overdraft review I think Barclays should have had reason to be concerned. From February 2024 there are a number of transactions where the nature and amount would suggest they are clearly gambling payments. As I've explained, they continue to increase and become extreme by June 2024. As an example, in May 2024 I can see over 30 gambling transactions in a single day, and I can see the same again in June 2024. Mrs K is also frequently using overdraft funds to gamble with. Had Barclays taken sufficient steps to review her overdraft usage in July 2024 I'm satisfied it would have seen that she was problem gambling and it should have offered support.

I take Barclays' point that intervention at this time may not have changed her account activity. However, this was an opportunity to intervene and offer support which may have had an impact on a vulnerable customer. And as Mrs K has highlighted, Barclays' lack of support in this regard has been distressing to her. So, I think Barclays should pay Mrs K £300 compensation for this failing.

I also think Barclays should refund all overdraft interest, fees and charges from this point onwards. And it should pay compensatory interest on that amount as detailed below. I think if Barclays had sufficiently reviewed her overdraft usage at this time, it would have seen that it wasn't responsible to keep lending and it should have taken steps to withdraw the overdraft. By not taking action at this time, Mrs K continued to use her overdraft to help fund problem gambling.

Compensation already offered by Barclays

I've considered Barclays' comments with regard to her account usage in September 2024, specifically that this was another opportunity to intervene and offer support. Barclays has offered £500 to compensate Mrs K for its failure to intervene around this time, based on the volume of transactions. I've considered the amount offered and the circumstances of Mrs K's account activity. And I've also had regard to our general guidance on the level of compensation awards for distress and inconvenience. (Mrs K will be able to find further information about this on our website). Having done so, I think the amount offered is fair compensation to recognise the distress Barclays' failings will have caused Mrs K.

I appreciate Mrs K would like all gambling transactions refunded and she's provided a copy of another decision where this was awarded. However, we look at each case individually on merits and having done so, I don't think it would be fair or reasonable to make that award in this case. I accept that Barclays missed opportunities to intervene and provide support. This could have included signposting to applicable charities for support, explaining the gambling block it offered, referring Mrs K to any additional services it offers for vulnerable customers etc. This could have helped Mrs K and I accept it's distressing for Mrs K to now appreciate that Barclays overlooked opportunities to help her. However, in order for a refund of gambling transactions to be fair compensation, I'd need to be satisfied that the support which should have been offered, would have stopped Mrs K from gambling. And I can't reasonably say that was the case.

Mrs K has also argued that Barclays should have closed her account sooner than it did in April 2025. She argued this could have been an action which would have forced her to reflect and gain support. However, accounts are closed for a number of reasons and I don't know that her account was closed solely due to problem gambling. I'm also mindful that when making this decision, a bank needs to carefully consider the consequences of that action. This is because it could result in a customer losing access to the essential services that holding a bank account provides.

In this case I don't think it would have been reasonable for Barclays to immediately close her account from the point it should have identified problem gambling. As I've explained, from the July 2024 overdraft review I would have expected it to take steps with regard to the overdraft usage for gambling. (This is why I don't think Barclays should charge overdraft fees from this point). However, I'd expect the initial support offered by Barclays to include things like signposting and information about the gambling stop Mrs K could have applied to the account. If this didn't have an impact on Mrs K's account activity, account closure could have been a subsequent action, and I note it did take this action in the following April. I also can't definitely say that closing the account sooner would have stopped Mrs K from continuing to gamble, as she may well have had other accounts to do this from.

So to summarise, whilst I think earlier support and intervention should have been taken by Barclays, I'm not persuaded I can say that any of the range of reasonable measures Barclays could have taken would have most likely stopped Mrs K from problem gambling. This is why I think compensation for the distress Barclays' failings would have caused is fair compensation in this case. And as I've explained, a measure like closing her account solely due to problem gambling is not something I would expect Barclays to consider lightly or without first providing alternative support.

I asked both parties to provide me anything further before I reached a final decision. Mrs K confirmed she accepted my provisional decision. Barclays asked for clarification regarding the compensation I was intending to award. I provided clarification and gave it a final week to make any further comments. This deadline has now expired, and Barclays haven't provided any further comments. So, I am now going to reach a final decision on this case.

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.

As neither party has disputed my provisional decision (which forms part of this decision), I see no reason to change the findings I reached. So, it follows that I uphold Mrs K's complaint in part.

To summarise:

- I think by the time of the July 2024 overdraft review, Barclays had reason to be concerned with the activity on Mrs K's current account. And if Barclays had taken sufficient steps to review her overdraft usage at this time, I'm satisfied it would have seen that she was problem gambling and it should have offered support.

I take Barclays' point that intervention at this time may not have changed her account activity. And this is why I'm not requiring Barclays to refund the gambling transactions Mrs K has made. However, this was an opportunity for Barclays to intervene and offer support, which may have had an impact on a vulnerable customer. And as Mrs K has highlighted, Barclays' lack of support in this regard has been distressing to her. So, I think Barclays should pay Mrs K an additional £300 compensation for this failing.

- I also think if Barclays had sufficiently reviewed her overdraft usage in July 2024, it would have seen that it wasn't responsible to keep lending and it should have taken steps to withdraw the overdraft. So, I also think Barclays should refund all overdraft interest, fees and charges from this point onwards.
- Barclays has also identified a later point (September 2024) when it felt it should have intervened based on the account activity. It offered £500 to compensate Mrs K for this. As explained in my provisional decision, I agree this is fair in the circumstances.
- Mrs K also argued that as part of offering her support, Barclays should have closed her account sooner than it did. However, I don't think it would have been reasonable for Barclays to immediately close her account from the point it should have identified problem gambling.

I'd expect the initial support offered by Barclays to include things like reviewing the appropriateness of continuing to allow a consumer access to an overdraft, signposting to external support and information about the support it could offer such as a gambling block. If this didn't have an impact on Mrs K's account activity, then account closure could have been a subsequent action, and I note it did take this action in the following April. However, given how essential a bank account is, I wouldn't expect Barclays to take this action lightly. So based on the facts of this case I don't agree that Barclays should have closed her account earlier than it did.

Putting things right

Since issuing my decision, Barclays has confirmed the account was closed with a balance of £2,270.87 outstanding. Mrs K was charged a total of £239.47 in interest and charges which can be used to reduce that balance in line with the compensation set out in my provisional decision.

Barclays should contact Mrs K to set up a suitable repayment plan for the outstanding balance.

Barclays has confirmed it didn't report adverse information about Mrs K's account to credit reference agencies until May 2025, so it should remove this information from Mrs K's credit file. If Barclays goes on to default the account, it should back date the date of default to 1 July 2024.

And Barclays should pay Mrs K £300 in compensation in addition to what it's already offered (£500 + £150).

My final decision

My final decision is that I uphold this complaint against Barclays Bank UK PLC in part and require it to put things right in the way I've described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 16 April 2026.

Claire Lisle
Ombudsman