

## The complaint

Mr W complains Bank of Scotland plc trading as Halifax didn't recognise he was struggling with compulsive gambling and didn't intervene or offer support.

## What happened

Mr W explained he used his Halifax current account to '*almost constantly*' gamble. In total he calculated he lost over £15,000 due to gambling.

Mr W described the gambling transactions as '*often frantic*' with lots of payments to named gambling companies in a short time frame. Mr W said his finances were '*clearly falling apart*' during this time, explaining he was missing essential bill payments, and direct debits were returned unpaid. Mr W also explained he had borrowed from other lenders during this period and that his salary was almost immediately swallowed by gambling and debt repayments within hours of receiving it.

Mr W said all of this was visible to Halifax, but it didn't take any action despite it being '*extremely obvious*' he was a vulnerable customer experiencing gambling related harm. Mr W said he contacted Halifax in February 2025 and told it he suffered with compulsive gambling and Halifax applied a gambling block.

Mr W explained the devastating impact compulsive gambling has sadly had on him, both financially and emotionally. Mr W said he wanted Halifax to refund the gambling losses.

Halifax wrote a final response. It said it hadn't had any notification from Mr W about his compulsive gambling before February 2025 and could only act and provide support once it was notified of a problem. Halifax said once Mr W told it about his compulsive gambling, it placed a freeze on his debit card on the same day. Halifax also said it had no reason to be concerned about the activity on his account because he generally maintained a positive balance. Halifax signposted organisations which may be able to help Mr W with his compulsive gambling.

Our investigator didn't think Halifax had acted unfairly and didn't think it needed to take any further action. They accepted businesses should put in place measures to identify financial difficulties and recognised Mr W had had several direct debits returned during the period in question. However, they also recognised Mr W had paid money into the account to ensure the direct debit went through when it was requested again a few days later, and hadn't arranged an overdraft.

They also explained banks don't manually monitor customer's accounts, and Halifax would likely have only intervened if it suspected fraud. Our investigator thought Halifax took reasonable action once it was made aware of Mr W's compulsive gambling in February 2025.

Mr W made further submissions to our service rejecting our investigator's recommendation. They disagreed there wasn't an indication of financial harm, citing the missed direct debits as evidence of this.

As Mr W rejected our investigator's recommendation, his complaint has been passed to me to make 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.

I appreciate how strongly Mr W feels about his complaint. Although I may not mention every point raised, I have considered everything but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

Where evidence is incomplete, inconclusive or contradictory, I have to make decisions on the balance of probabilities – that is, what I consider is more likely than not to have happened in light of the available evidence and the wider surrounding circumstances.

I was very sorry to read of the difficulties Mr W has had with compulsive gambling and sympathise with him for what must have been an extremely difficult time.

Firstly, I appreciate Mr W's complaint included gambling transactions from 2018. As our investigator explained, these are not issues our service can consider due to the length of time that has passed since these transactions.

The Financial Conduct Authority (FCA) dispute resolution handbook (DISP) sets the rules under which our service operates. DISP 2.8.2 explains our service can't consider a complaint if it is brought to our service more than six years after the event complained of; or (if later) three years from the date the complainant became aware, or reasonably ought to have become aware, that he had cause for complaint.

The evidence I have seen, and corroborated by Mr W in his recent submissions to our service, suggests Mr W tried to raise issues regarding the payments with the gambling company at the time. I also recognise these payments were made by Mr W.

I think it is therefore reasonable to conclude he was aware of the issues in 2018, and as these payments occurred over six years ago, I am therefore satisfied I cannot consider these matters further.

Dealing now with the more recent payments, the starting point in law is banks are required to make payments customers authorise them to undertake. Customers bank accounts and transactions are not usually routinely monitored or examined manually by businesses as a matter of course. They are also not usually monitored specifically for gambling transactions.

Halifax would likely only have had reason to examine any payments if it suspected fraud or if Mr W had gotten into financial difficulty.

Looking at the gambling payments in more detail I can see, generally, they were for relatively small amounts, often for £30 or £50 or less. Such payments are less likely to trigger Halifax's fraud detection systems. They were often also made to merchant's Mr W had used before and not raised issues with, again, meaning it less likely they would flag as fraudulent. They were also apparently made by Mr W authorising the payments correctly.

Secondly, I also haven't seen sufficient evidence to conclude Mr W was struggling to fund these transactions, which could have alerted Halifax to potential issues. Whilst I appreciate several direct debits were returned, I can also see Mr W often deposited funds shortly after this, for example, in December 2024, and February 2025, without apparently contacting Halifax for help. Mr W generally kept his account in a positive balance throughout the period in question and also received regular payments into the account. So I am not persuaded, on balance, Halifax's systems would have detected or raised concerns about his account.

Thirdly, I am also mindful the evidence provided by both parties suggests Mr W didn't raise his compulsive gambling with Halifax before February 2025. It isn't unreasonable to expect customers to proactively raise with their bank when they struggle with compulsive gambling. On this point, I also note when Mr W eventually did raise his compulsive gambling, Halifax

took action to assist him and also signposted organisations which may be able to help him. I further note the action taken by Halifax appears to have had some success and I am therefore satisfied, on balance, Halifax acted reasonably when Mr W contacted it.

Whilst I have no doubt this was a difficult time for Mr W, for the reasons above, I don't think it would be fair or reasonable to hold Halifax liable for the payments Mr W authorised and made to gambling companies during this period. I appreciate this will be disappointing to Mr W, but I trust I have explained in sufficient detail the reasons for my decision and wish him well with these issues in the future.

### **My final decision**

For the reasons I have given, my final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 18 May 2026.

Gareth Jones  
**Ombudsman**