

## **complaint**

Mr D complains that Bank of Scotland plc acted irresponsibly in not applying restrictions on gambling transactions made from his accounts.

## **background**

Mr D says that he made numerous requests to the bank for it to block gambling transactions that are attempted on his credit card account. He says that he made these requests by visiting branches of the bank and calling the bank's call centre. Mr D says he was advised that this was not possible.

The bank explained to Mr D that it is not able to provide such a specific level of management of a customer's account and our adjudicator did not consider this unreasonable. The adjudicator also did not consider Mr D was mis-informed by the bank on this matter.

Mr D had said that he was aware of a bank's procedure which could have stopped gambling transactions. However, the adjudicator considered that what Mr D was suggesting was not a legitimate method of preventing Mr D from carrying out the gambling transactions specifically, and only, that he wanted to be prevented from making.

As regards to Mr D's concerns that, effectively, he was lent to irresponsibly, the adjudicator noted the limit on the credit card had been increased, but she considered the account was well managed with the balance maintained within the agreed limit. She also could not see that Mr D exceeded the agreed limit and he maintained payments to his account, generally paying more than the minimum required. The adjudicator also noted that the manner in which he had operated his credit cards with Bank of Scotland and other banks was such that it suggested Mr D was able to manage his accounts and finances and make decisions based on competitiveness and affordability. Overall, she did not conclude that the bank acted irresponsibly by increasing the credit limit.

Bank of Scotland had, though, offered to assist Mr D by making a partial refund to Mr D's current and credit card accounts, and pay compensation for the manner in which it dealt with Mr D's complaint. The adjudicator considered this was fair. But, she did not consider that she could say that the bank should have stopped Mr D from making gambling transactions on the credit card account. She did not recommend that the complaint be upheld.

Mr D has asked that his complaint be reviewed by an ombudsman.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Having reviewed the evidence and arguments presented, I agree with the findings and conclusions of the adjudicator.

Insofar as Mr D is saying the credit card facility that he has used to spend on gambling transactions amounts to irresponsible lending on the part of the bank, for the reasons explained by the adjudicator, I do not find the lending is irresponsible based on any argument that the debt created could not be managed by Mr D or has itself created financial difficulties.

However, I accept that Mr D's argument is that the lending made to him, by way of the credit card facility, was irresponsible given that it was used to finance gambling and he had an addiction. And Mr D maintains that he should have been prevented from making gambling transactions as he requested to be.

Against a background where the repayment of borrowed funds are managed without issue in terms of their repayment, I am not persuaded that I may fairly and reasonably say that the bank lent irresponsibly simply because that borrowing was used to finance gambling transactions. That said, Bank of Scotland did offer to refund to Mr D the value of spending that was made after it says it was made aware that Mr D had a gambling addiction and at which time it should have withdrawn the credit card facility.

I appreciate that there is a dispute about when the bank ought to have been on notice of Mr D's addiction but I am not sufficiently persuaded that the bank was on notice before May 2013, from when refunds were offered. Mr D recalls talking to the bank sooner but there is no corroborative evidence of this.

It seems correct to me that the bank should have withdrawn the lending facility when it was aware of Mr D's addiction but as regards to the point about Mr D expecting the bank to block specific transactions, I am not persuaded that the bank is able to do this; nor that the specific method suggested by Mr D would actually achieve what he was actually asking the bank to do. In light of that, I do not consider that I can fairly and reasonably say that the bank have responded improperly to any request from Mr D, regardless of when it was made, to block gambling transactions only but leave his credit card facility open for any other use.

As has been communicated previously, the bank has agreed to refund £750 to Mr D's current account and £600 to the credit card account; and pay compensation of £150 to him. I am not aware whether these payments have been made and if they have not, I agree that it would be fair and reasonable for the bank to now make them. However, I make no further award against the bank nor direction to it.

### **my final decision**

My final decision is that I require Bank of Scotland plc, if it has not already done so, to:

- refund £750 to Mr D's current account;
- refund £600 to Mr D's credit card account; and
- pay Mr D £150 compensation.

Ray Neighbour  
**ombudsman**