

The complaint

Mr M has complained that Nationwide Building Society failed to apply a gambling block to his account when he asked it to.

Background

Mr M contacted Nationwide via its web chat service on 25 June 2024. In the chat he disclosed he was struggling financially and wanted to block gambling transactions on his account. He asked the agent to add the block for him. He then asked about how the block could be removed and ended the chat. The following day Mr M gambled approximately £4,500 from his Nationwide account. He contacted the building society again via its web chat to complain as the block hadn't been added to his account as he had requested. The agent he spoke to confirmed that the block hadn't been added as he hadn't completed the full process the day before and hadn't given a formal declaration before ending the chat. That agent then applied the block and completed the declaration with Mr M.

Mr M has said that if Nationwide had added the block when he asked it to he wouldn't have been able to gamble the money he did. He's asked that Nationwide refund the money he spent following the request on the 25 June.

Nationwide has said that because Mr M didn't complete the declaration on the 25 June before ending the chat it was unable to add the block for him. It has confirmed the block was added the following day once the correct process was completed. It has also confirmed that although Mr M did gamble money after the block had been requested he also received credits from the same gambling merchant following this so disputes he has been left financially worse off.

One of our investigators looked into Mr M's complaint already. She found that Nationwide should have added the block for Mr M on the 25 June as he had requested and felt he had ended the webchat with the assumption the block had been added. However, she agreed that it appeared Mr M had won back the money he had gambled and so he hadn't suffered a financial detriment due to the error. So, she didn't ask Nationwide to refund his gambling transactions. However, she did think it should pay Mr M £50 in recognition of its failure to add the gambling block and its failure to communicate clearly with him.

Nationwide accepted the investigator's findings, but Mr M didn't. He didn't think the fact he had received money from the gambling merchant after he had placed the bets mattered as the failing remained the same. He also said the winnings he received were in relation to bets he had made before the 25 June and so shouldn't be taken into consideration as he would have received them anyway and so he still wanted Nationwide to refund the money he spent before the block was applied.

As Mr M didn't agree with the investigator's findings he's asked for his complaint to be reviewed again by an ombudsman and so it's been passed to me for consideration.

My findings

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 I agree with the findings reached by our investigator and for much the same reason. So, although I am upholding Mr M's complaint, and I won't be asking Nationwide to refund the gambling transactions he made after contacting it on the 25 June. I know this will come as a disappointment for Mr M, so I've set out my reasons below.

When Mr M contacted Nationwide on the 25 June it was clear he was in a vulnerable position and was asking for help as he was struggling to control his gambling. Looking at the chat history between Mr M and the agent he was speaking to I think it's reasonable Mr M thought they were going to add the block for him. There is no mention of any process that had to be completed or explanation that the block wouldn't be added until Mr M gave a formal declaration. And while I accept that Nationwide had a process in place I think when Mr M indicated he was about to end the chat the agent should have explained they needed to complete a few more steps before they could add the block or should have tried to get Mr M to complete the process before he ended the chat. So, I think this was an error on the part of Nationwide and the agent should have been clearer about the status of the block before ending the chat with Mr M.

Therefore, because I think Nationwide made an error in how it communicated with Mr M on the 25 June I next need to consider what the impact of this error was.

Looking at the transactions that took place on Mr M's account following the web chat I can see that he gambled £4,500 with a single gambling merchant before he contacted Nationwide again on 26 June to find out why the block hadn't been added and why he had been able to gamble. However, Mr M also received a credit from the same gambling merchant for £4,990 on 26 June. Which meant he received more back into his account than he had spent the day before.

Mr M has said that the credit he received isn't linked to the bet he made on 25 June. But I don't have any evidence to verify that. He has also asked that Nationwide put him back in the position he would have been in if he hadn't been able to gamble following the chat on the 25 June. And that would mean refunding any gambling transactions he made. But it would also mean that he wouldn't have been in receipt of any winnings either. So, although I think Nationwide was wrong not to clarify the status of the block on the 25 June, based on what I've seen on his account history I can't safely conclude that error resulted in Mr M experiencing a financial detriment. And it wouldn't be reasonable for me to ask Nationwide to refund what appear to have been successful gambling transactions.

Therefore, despite the fact that I think Nationwide ought to have better explained the processes involved in adding the block on the 25 June I can't safely conclude the poor communication of its agent resulted in Mr M experiencing a financial loss. So, it would be unreasonable for me to request Nationwide refund the transactions made before the block was added the following day.

However, I do agree that Nationwide should pay Mr M some compensation in recognition of the poor communication and lack of genuine support he received when he first contacted it on the 25 June, and I think the £50 suggested by our investigator is fair.

Putting things right

In order to put things right Nationwide Building Society should pay Mr M £50 compensation

in recognition for its failure to properly explain the status of the gambling block on his account when he asked for help on 25 June 2024.

My final decision

For the reasons set out above I uphold Mr M's complaint against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 December 2024.

Karen Hanlon
Ombudsman