

## The complaint

Mr K is unhappy that National Westminster Bank Plc (“NatWest”) won’t refund some gambling transactions he says were made fraudulently on his account.

## What happened

Mr K has told us that his debit card was used to make a series of unauthorised payments to two different gambling companies between February and June 2020. The disputed payments totalled nearly £2,000.

NatWest wouldn’t refund Mr K. So, he brought a complaint to our service.

One of our investigators considered the complaint but felt that, on balance, Mr K had more likely than not either authorised these payments himself or consented to someone else making them. So, he didn’t think NatWest needed to do anything further.

Mr K wasn’t happy with our investigator’s recommended outcome and requested an ombudsman’s 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.

Mr K will be disappointed to hear that, like our investigator, I won’t be upholding his complaint. I appreciate how strongly both Mr K and his representative feel about this. But I’ll explain why I’ve reached the decision I have below.

The relevant law applicable to this complaint is the Payment Services Regulations 2017. In summary, those regulations provide that a customer will be responsible for any payments from their account when the transactions have been authorised by them. In this case that means the customer put their card details into the gambling websites and consented to the transactions being made.

Where there’s a dispute about whether a customer has authorised the transactions or not, I’d expect the bank to provide evidence about why they’re holding their customer liable. Natwest has done that here. And I need to weigh up the information it’s given me and decide whether I think NatWest acted fairly and reasonably in holding Mr K responsible for the disputed transactions.

I have to make my decision based on what I think is more likely than not to have happened. That means I won’t generally be 100% certain that something happened in the way I’ve described, just that I think that it is more likely than not to have happened like that. So, I’m sorry if Mr K still disagrees with me, but I have to make a judgement call on the facts of his case.

Having carefully reviewed all the information available to me, I have found that the transactions were more likely than not authorised by Mr K. And that's broadly for the same reasons that the investigator gave in his opinion. These include that:

- Natwest checked with one of the gambling companies which confirmed the personal information they held for Mr K matched that which both our service and NatWest held for him. It's very unlikely that a third party would have set up an account with exactly the same contact details as Mr K. That would mean they'd have needed to have access to his email to provide any authorisations to the gambling company. And there would also be no benefit to a fraudster in doing this, given they'd be unable to access any winnings from Mr K's account.
- Mr K had previously made a number of transactions with the gambling companies in the past. So, he had a history of gambling on these websites.
- The IP (internet protocol) address for Mr K's broadband that was used to access one of the gambling sites, matched that used for undisputed activity on Mr K's Natwest bank account.
- Mr K continued to make similar transactions to other gambling companies after reporting the disputed ones to NatWest.
- Mr K was still in possession of his debit card and hasn't provided any reasonable explanation about how anyone else could've obtained the details needed to make these payments.
- Mr K accessed his online banking quite often throughout the time the disputed transactions took place – yet didn't raise the disputed transactions until after the gambling accounts had suffered losses.

I'd like to assure Mr K that I have thought about how else this could have happened without his involvement. But, on balance, the combination of factors I've mentioned above means I'm unable to see how it's likely that these payments weren't authorised by Mr K.

I appreciate that Mr K's representative believes that Mr K may have been tricked into gambling this money. And I've taken into account Mr K's health conditions when reaching my decision. I was really sorry to hear about the difficult time that Mr K has had during lockdown. And I appreciate this can't have been easy for either him or his representative. But what I need to decide here is whether or not Natwest has done anything wrong in paying the gambling companies from Mr K's account. And it's unfortunately not within my powers to look at what responsibility the gambling companies themselves may have had here for the losses that Mr K suffered.

I know that Mr K's representative thinks that this series of payments should have flagged with NatWest and ultimately not have been approved because of the pattern and value of the payments involved. But I'm afraid that gambling was not an uncommon use of Mr K's account, both in the run up to, and after the disputed transactions. So, I don't think that it's something that should have flagged with Natwest - or that the bank should have taken any pre-emptive action to stop.

So, in summary, I think that Natwest has shown that these transactions were more likely than not authorised by Mr K and that it hasn't failed in its responsibilities to protect his account from fraud.

## **My final decision**

It's my final decision that I don't uphold Mr K's complaint. And I won't be requiring that National Westminster Bank Plc needs to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 7 June 2021.

James Kennard  
**Ombudsman**