

The complaint

Miss T has complained that National Westminster Bank Plc ("NatWest") failed to stop gambling transactions from leaving her account despite her having a gambling block in place.

Background

Miss T has explained that she contacted NatWest in 2020 by phone and asked it to apply a gambling block to her account as she was gambling in a compulsive way, and it was causing her financial difficulties and negatively impacting her mental health. In addition to the gambling block with NatWest Miss T also registered with external gambling groups so she would be blocked from using gambling providers directly and excluded that way as well.

However, she has said that despite having put these safeguarding measures in place she was still able to gamble via her NatWest account. Most of the gambling transactions she did were via a third-party payment service I'll refer to as 'X'. Miss T has said that she lost large amounts of money by gambling through X and never received any support from NatWest. She wants the bank to refund these gambling losses as she feels the transactions should never have been allowed to leave her account.

NatWest has said that the gambling block was added to Miss T's account in 2020 when she requested it. However, it has also explained that the block isn't guaranteed to work 100% of the time and there are limitations on how effective it can be. It has said that the block wouldn't have stopped the transactions to X as it's not a gambling website and NatWest wouldn't have known Miss T was using it to gamble, as it can be used for a wide variety of online transactions. In addition, the payments to X were 'faster payments' linked to Miss T's bank account and not her debit card. These gambling block doesn't stop faster payment transactions either as it's linked to Miss T's card details and not her account details. Therefore, it didn't think it had done anything wrong in allowing the payments to X to go through and it refused Miss T's request for a refund.

Unhappy with NatWest's response Miss T brought her complaint to this service. One of our investigator's looked into it already. He found that although Miss T asked for the block to be applied in August 2020 it wasn't added until December that year. However he also noted that after it was added Miss T would sporadically remove the block for periods of time before adding back on. So he said that even though NatWest should've added the block sooner he wasn't convinced it would've prevented Miss T from gambling over that four month period. However he did think NatWest should've offered Miss T more support than it did so he asked it to pay her £200 compensation in recognition of that.

NatWest accepted the investigator's findings, but Miss T didn't. So, the complaint has 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.

There are two separate issues regarding Miss T's complaint that need to be taken into consideration, the first is what happened when she called NatWest in August 2020 to ask it to add the gambling block to her card and the second is whether or not the transactions to X should've been stopped by the block.

In regard to the first instance, NatWest accepts that Miss T contacted it in August 2020 and the gambling block was discussed at that time. Unfortunately, it's been unable to allocate the call recording, but I accept what Miss T has told us and that it was her expectation when the call ended that the gambling block was in place to help her control her compulsive spending. However the block wasn't added at that time and it wasn't until December 2020 that the block was eventually registered on Miss T's card.

This is a serious failing on the part of NatWest. It can be extremely difficult for consumer with vulnerabilities, especially those relating to compulsive spending, to contact their banks and ask for help. So that NatWest would receive this request and then fail to act on it is very worrying. Our investigator suggested NatWest pay Miss T £200 compensation in recognition of that failing and I think this is appropriate. It is reassuring to see that in its final response to Miss T's complaint NatWest offered to put her in touch with its support team. I hope that Miss T finds this useful and that it's able to provide her with some additional safeguarding.

The second issue is whether or not the gambling block should've stopped Miss T from being able to access gambling sites through X. Unfortunately gambling blocks, like the one offered by NatWest, have limitations, and aren't guaranteed to prevent consumers from being able to access all forms of gambling. They essentially work by identifying gambling providers that are registered as such and stopping payments to them. However, when consumers use third party payment providers, like X, the block doesn't realise that the intended transaction is a gambling one. And so, the payment will go through. Because Miss T was sending payments to X and not a gambling retailer directly the block didn't work, and NatWest was unaware Miss T was gambling.

It wouldn't be reasonable for me to say NatWest failed to stop gambling transactions from leaving Miss T's account because it was unaware that these transactions were linked to gambling. It is also true that gambling blocks won't stop faster payment transactions, which are those online transactions linked to account details as opposed to card details.

While I understand why Miss T feels the way she does, and I understand the impact of these transactions has been incredibly difficult for both her finances and over all health, I can't conclude that they're linked to any failing on the part of the bank or its gambling block. While tools like the gambling block can be useful, they're not perfect and even when applied to someone's card, its possible to circumvent them. So I can't uphold this part of Miss T's complaint and I can't ask NatWest to refund her gambling losses to her.

Putting things right

NatWest should pay Miss T £200 compensation in recognition of its failure to offer her support when she first contacted the bank in August 2020.

My final decision

For the reasons set out above I partially uphold Miss T's complaint against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or

reject my decision before 31 October 2023.

Karen Hanlon
Ombudsman