

## **The complaint**

Mr M complains that National Westminster Bank Plc (NatWest) did nothing to advise or assist him with his financial problems caused by gambling.

## **What happened**

Mr M tells us that he suffered from a gambling addiction, going back to 2009 when he first had the account with NatWest. He says that on two occasions he went into a branch of NatWest in order to seek help, and was turned away both times. He made a formal complaint to NatWest in July 2023. He says he was financially struggling but that NatWest never once called him to offer advice or help. He asked that NatWest refund all the money he has spent on gambling since he opened the account with it in 2009.

NatWest responded that it had referred his case to its customer support specialists and advised him of the gambling stop facility on its app that Mr M could put in place. It pointed out that as gambling is not illegal, it couldn't prevent him from spending his money in that way.

On referral to the Financial Ombudsman Service, our Investigator said he had no grounds to uphold Mr M's complaint.

Mr M did not agree, particularly pointing out that he had plucked up the courage to go into two branches of NatWest, and (he felt that) he was pretty much laughed at. He was concerned that that point had not been addressed.

The matter has been passed to me for an Ombudsman's consideration.

## **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.

Firstly I have already advised Mr M that, for reasons I have explained separately, I consider that I can only look at the matter going back six years from when he made his complaint in July 2023.

I do sympathise with Mr M. It is clear from his bank statements that he spent significant sums of money on gambling. I recognise also that it took courage for him to recognise his problem and I'm sorry that he felt that NatWest didn't offer him appropriate help and advice.

### *advice in branch*

Mr M says that he went into separate branches of NatWest on 2 occasions. On the first occasion he says he asked if he could speak to someone regarding his gambling problems in relation to transactions from his NatWest account. He says he felt as though the adviser "smirked" and then created some urgency to move onto the next customer, advising that he should probably speak to the Citizens Advice Bureau. On the second occasion he says he asked the young lady behind the counter if there was anyone he could speak to regarding

his gambling problems and she said that's not something that they help with unfortunately.

Mr M has been unable to give us the dates of either visit. So whilst I accept that he did make the visits, he has been unable to give sufficient information to identify the members of staff in question. He has suggested looking at CCTV evidence, but, given the passage of time, that's unlikely to be available now and we have the problem of not having specific dates. And in any event such evidence would not have recorded the specific interaction between customer and staff member.

Having said that, NatWest has told us that its branches utilise the Customer Event System for recording any notes, and these are only retained for a maximum of 12 months. If that is the case then I think that is very disappointing. If a customer comes in for advice then I can't think why any such advice would not be recorded on their record and retained like any other record.

But given the lack of evidence of the specific interaction between Mr M and branch staff members, I can't uphold this particular part of his complaint.

#### *evidence of gambling on bank statements*

Customers' bank statements are not reviewed manually on a routine basis. Given that NatWest has over 19 million customers, it has to have in place an automated procedure to be able to flag up possible fraudulent transactions, or to highlight where customers might be in financial difficulty. The procedure won't identify gambling transactions, as they are generally perfectly legitimate using regulated companies based in the UK. I would say that Mr M's gambling activity falls into that category.

So I have reviewed Mr M's bank statements with a view to seeing whether NatWest ought to have picked up that he was in financial difficulty, caused by his gambling. The first thing to note is that he had an overdraft facility which was authorised (he had fees for authorised overdraft usage on his statements). He did go overdrawn on a number of occasions, but from what I can see, he always kept within his overdraft facility and went back into credit fairly quickly.

In respect of his gambling from August 2017 until January 2018 Mr M was gambling regularly but I note that the amount he spent on gambling went down from September 2017 until by February 2018 I can see no identifiable gambling transactions on his account until late October 2019. From then it appears that Mr M started gambling again, modest amounts at first then significant amounts each month until the end of the statements which is August 2023.

During the time that Mr M was spending on gambling, he used his overdraft occasionally but again didn't go over the limit and went back into credit within a few days. Again this would not flag up as financial difficulties and I wouldn't have expected NatWest to have reviewed his account. I have noted that for the time that Mr M was spending the most on gambling, which would be for 2022 and 2023, he didn't go overdrawn. He was clearly topping up his account from his winnings and by transfers in from other accounts or other people, but those transactions again wouldn't have raised any need to look at Mr M's financial position. But he didn't appear to be using loans to fund his gambling.

So I don't think, from the way Mr M used his account, that it would have been likely that NatWest's attention would have been drawn to it, so it couldn't have reasonably noted his gambling transactions.

### *loans*

Over the period from 2017-2023, Mr M took out three personal loans with NatWest, in October 2018 for £5,000, in May 2019 for £7,500 and in April 2023 for £10,100. I should emphasise that in this decision I have not considered whether NatWest lent those monies to Mr M responsibly. Rather whether in the course of approving those loans NatWest should have reviewed Mr M's account which would have shown his gambling.

NatWest has advised us of the information it considered when approving those loans. And I should say that when a customer declares their expenditure in an application for a loan, the bank would rely on them doing this accurately. In respect of the first two loans, I've noted that this was during the time that from looking at his bank statements, Mr M did not appear to be gambling. So he didn't spend the funds on gambling.

With regard to the third loan in April 2023, Mr M was gambling at that time. But at that stage he had not been overdrawn for over a year. NatWest would not necessarily in the course of approving any application review a customer's bank statements, unless anything came out in its credit checks or the application to draw its attention to those statements. In the case of all three loans Mr M's income was checked and it was assessed that they were affordable.

So I don't think that the loans, when taken out, funded Mr M's gambling. And I haven't seen anything in respect of those loans that would have prompted NatWest to carry out a review of his bank account.

### *overdraft*

Mr M has, as far as I can see, kept within his arranged overdraft throughout the course of the six years. And there's no indication that at any time he went over the limit. Because if he had this would have shown up in the statements in respect of over the limit charges and/or interest. From February 2021, NatWest should have carried out an annual review of Mr M's overdraft. It hasn't got any notes that it carried out any such review. But all the review would have shown was that Mr M didn't for the most part use his overdraft and that when he did go overdrawn, he used the overdraft sensibly.

So overall I'm afraid that I can't uphold Mr M's complaint. There isn't sufficient evidence about his branch visits and from his bank statements I haven't seen anything which would have alerted NatWest to carry out a manual review of his statements. So I think it's reasonable to find that it wouldn't have known about Mr M's gambling until he told it in July 2023.

With regard to its response to Mr M when he advised it of his gambling problems, I note that NatWest did refer Mr M to its customer support specialists. And it advised him of the block that he can put on his card for gambling transactions through the app. So I think NatWest acted appropriately.

### **My final decision**

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 13 March 2024.

Ray Lawley  
**Ombudsman**