

The complaint

Mr G complains that National Westminster Bank Plc failed in its duty of care to him by allowing him to make a number of payments.

What happened

In February 2023, Mr G received a large sum of money into his account. In the weeks that followed he spent the majority of this money on gambling. After this, Mr G contacted NatWest to discuss the overdraft on his account and the charges that were being applied. At this stage, NatWest looked at how Mr G was using his account and signposted him to help and support for gambling if he needed it.

Mr G felt that NatWest should have taken action sooner though. He says that if NatWest acted more responsibly by intervening in a similar way when he was spending and gambling around February 2023 then he wouldn't have lost so much money. Mr G complained to NatWest about this, but it said that the money was his and it was his responsibility to inform it if he needed support. NatWest did acknowledge that it promised Mr G a call that wasn't made at one point though and paid £120 to compensate for the impact of that.

Mr G wasn't happy with this and brought his complaint to this service, where one of our investigators looked into it. They considered whether NatWest should have flagged the payments Mr G made as suspicious activity – either for fraud reasons, or because they were for gambling. But they felt that Mr G would have likely satisfied NatWest's checks if it made them for fraud reasons. Then if it had discussed the payments with him sooner because they were for gambling, then he would likely have told NatWest that it was a friend who was making the transactions – as Mr G did when it asked him about these.

Our investigator said that NatWest's offers to compensate Mr G for the impact of its customer service when it didn't make a promised call were fair and reasonable. So they didn't think NatWest should take any further action. Mr G disagreed and said that NatWest had shown no duty of care to him and when it did, it was after he had spent huge amounts of money. He said that NatWest should have had 'trigger warnings' in place to intervene in these payments to see if they were legitimate – yet NatWest did nothing. He mentioned that other banks had taken the actions he expected of NatWest.

As Mr G disagreed, the complaint has been passed to me to decide.

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.

The starting point here is that NatWest isn't responsible for how Mr G spends his money. Banks like NatWest should generally follow their customers instructions unless they believe there is good reason not to. Here, I accept that Mr G was making a large number of frequent high value payments for gambling after receiving a lot of money into his account. But that doesn't mean that NatWest was under any obligation to restrict, or stop payments for this

reason. Nor does it mean that NatWest should have the same processes or policies that other banks may have in such circumstances.

With this in mind, what I've considered is whether it would have been fair and reasonable for NatWest to have intervened at some stage either before, or during Mr G making the payments in question here. It's not in dispute that at the time the payments were made, Mr G hadn't made NatWest aware that he had any sort of issue with gambling – and so I don't think it could have been aware of this at the time.

But even if I am to accept that the frequency, amount and value of the payments should have been enough to alert NatWest to a potential gambling, or fraud, issue I'm not persuaded that this would have changed things.

I say this because in December 2023, during a conversation about his overdraft, NatWest did ask Mr G about gambling payments. He said that these were made by someone who was using his account for online gambling because they didn't have an account themselves. With this in mind, I think it's more likely than not that if he were contacted by NatWest about these sooner, or during the time the payments in question were being made – then he would more likely than not have provided the same information as he did here.

What he said would have been reasonable to answer any concerns that NatWest may have had about these payments, because it suggested that Mr G was aware of them and had consented to them – but that he didn't actually carry out the gambling in question. This means that I'm satisfied that the payments would have most likely still been made even if NatWest had intervened in the way Mr G thinks it should have.

There was an issue when NatWest promised Mr G a call about his complaint and didn't make it. That clearly wasn't helpful and would have been frustrating and disappointing for Mr G. I've seen that NatWest paid him £120 to compensate him for the impact this had and I'm satisfied that's a fair and reasonable amount in the circumstances. It follows that there is no more I'll be asking NatWest to do here.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 1 November 2024.

James Staples
Ombudsman