

The complaint

Miss S complains that despite being aware of her problem gambling and having gambling block enabled on her account that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ("NatWest") failed to contact her or intervene when large sums of money were withdrawn from her account.

What happened

Miss S has a gambling addiction and made NatWest aware of this. Miss S had a gambling block enabled on her account but was still able to make gambling transactions.

Miss S raised a complaint about this and NatWest's failure to intervene and provide support on 10 November and 3 December 2024. NatWest didn't uphold Miss S's complaint. It says it has made Miss S aware through her previous complaints relating to the same issue that it can't block transactions to overseas merchants and those that don't have the gambling identified merchant code. It says as well as Miss S being able to access the support it has on its website, it has signposted external agencies that can help and offered individual advice and support, but it can't prevent a consumer from gambling.

NatWest's Customer Protection Manager reached out to Miss S and offered assistance and advice on ways she could reduce gambling such as applying a card block as well as offering to make arrangements for her to visit a branch to use the phone and enable Miss S to have a conversation about it, but Miss S rejected this.

Miss S remained dissatisfied and so brought her complaint to this service. Miss S doesn't understand why NatWest can't block certain transactions like her other bank can.

Our investigator looked into Miss S's concerns and explained that the gambling block wouldn't have prevented the gambling transactions in question as the merchant code on them wasn't the code that the gambling block primarily works against. They thought that NatWest had offered all the support and assistance that it had available which Miss S rejected and didn't think there was anything more it could reasonably do as it doesn't have a detection system for gambling transactions and can only intervene when it is told by the customer again.

Miss S disagreed, she says NatWest knew she had a gambling problem but failed to intervene when it should've and asked for 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.

Firstly, I can't look at all the complaints referred to me. The rules applying to this service say that –where a business doesn't agree – I can't look into a complaint if it's been referred to us more than six months after the business sends the consumer its final response letter, telling

them they can refer their complaint to us. This is Dispute Resolution rule 2.8.2R(1) – and it can be found online in the Financial Conduct Authority’s handbook.

So this being the case my decision only covers Miss S’s complaint raised on 10 November 2024 regarding the recent gambling transactions she was able to make as prior complaints Miss S made about the same issue were dealt with by NatWest separately and Miss S failed to refer them to this service within six months of NatWest’s final response letters.

My role is to look at problems that a consumer has experienced and see if the business has done anything wrong or treated the consumer unfairly. If it has, we seek to put the consumer back in the position they would’ve been in if the mistakes hadn’t happened. And we may award compensation that we think is fair and reasonable.

Miss S is unhappy that she was able to make gambling transactions despite having gambling block enabled on her account. Miss S doesn’t believe NatWest provided enough support and failed to protect her from her gambling when it didn’t intervene.

I sympathise with Miss S and the gambling struggles that she has and I hope she is now in a better position and getting the right help and support for this. It might be helpful for me to say here that, as we are not the regulator, I cannot make a business change its systems or processes – such as what it must have in place to assist customers with their spending or what accounts should be monitored for. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

That said while I wouldn’t tell NatWest what tools it needs to have in place to support a customer with a gambling addiction and nor would I expect it to monitor an individual account every day for gambling transactions – this isn’t practical and ultimately, gambling isn’t illegal and it is up to the customer whether they utilize the support available or continue to gamble. But I would expect a business to step in and offer appropriate support where I consider it should’ve reasonably become aware there might be a problem.

It is not in dispute that Miss S has a gambling problem and made NatWest aware of it. What is in dispute is whether NatWest has done enough to support and protect Miss S.

And after considering everything I’m in agreement with our investigator that the support NatWest provided was fair and in line with what I’d expect. The fact Miss S was able to bypass its gambling block wasn’t due to an error on NatWest’s part and so it wouldn’t be fair to penalise it for this.

Gambling blocks have limitations and don’t work when there is no merchant code present – such as with faster payments – to identify the type of transaction. Merchant codes are applied by the merchant and not the business or bank. And in some cases gambling transactions can go through because the merchant doesn’t categorise itself as gambling such as the case here.

And as Miss S has been aware of these limitations and how gambling blocks work as early as December 2020 – where a previous complaint was raised - I can’t say that NatWest is at fault here. I appreciate that other organisations might have different support tools available such as being able to block individual merchants. But NatWest doesn’t currently have this tool available, and it isn’t obligated to.

Ultimately, nothing is foolproof, and NatWest simply isn’t able to catch all gambling transactions made. And I don’t think it would be reasonable to expect NatWest to monitor individually each of its customers’ accounts for gambling activity and reach out and make

contact on every occasion after spotting what may or may not be gambling transactions, especially when prior advice and support has been rejected.

So I don't think NatWest is at fault or treated Miss S unfairly when she was able to make gambling transactions. Nothing is foolproof and the gambling block isn't a cure, it is there to act as a deterrent and to assist Miss S in managing her money by adding an extra step when she wishes to gamble and forcing her to think about what she is doing such as when removing the block. And I don't think it would be fair to expect NatWest to make those decisions for Miss S or deny her the ability to make that decision.

Furthermore, I think the support NatWest provided Miss S was fair and I can't see what much more it could reasonably do. Its Customer Protection Manager reached out to Miss S on 1 December 2024 and has made Miss S aware of organisations that could help as well as providing tools – such as the card block that would stop all transactions - and advice on how it could help. And so it follows that I don't think NatWest needs to do anything further and I do not uphold this complaint.

My final decision

For the reasons I've explained, I do not uphold Miss S's complaint against NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 2 September 2025.

Caroline Davies
Ombudsman