

## The complaint

Mr W complains that The Royal Bank of Scotland Plc ("RBS") allowed him to spend a large amount of money using gambling websites without any intervention.

## What happened

Around the start of December 2024, Mr W spent around £13,500 on gambling websites using his account with RBS. Some of these payments were blocked and RBS sent Mr W text messages to confirm that he was making the payments himself. Mr W confirmed that he was and so any payments that were blocked were eventually made. There were also a number of other payments that weren't blocked.

Around a week or so after making these payments, Mr W complained to RBS about it allowing him to make them. He told it that he wasn't working and was on benefits and that he was using loans to fund the gambling payments he made. RBS responded to the complaint on 17 December 2024, focusing on why it had blocked the payments in question in respect of treating them as potentially fraudulent payments.

On 19 December 2024, Mr W then spent around £4,800 on gambling websites using his RBS account again. He again complained to RBS about this. It said it had a record of Mr W contacting it on 12 December 2024 – at which point Mr W was advised that RBS could refer him to a member of staff that could discuss his gambling issues with him, but Mr W declined that. During the same call, Mr W was advised how to block online gambling payments, which he confirmed he had already done. In light of this, RBS didn't uphold this complaint either.

Mr W referred his complaints to this service, where one of our investigators reviewed the overall circumstances of both complaints as one. They didn't think that RBS had acted unfairly in allowing Mr W to make the payments in question here, as a bank wouldn't be expected to monitor an account for gambling transactions, although they ought to step in and offer support if they become aware there is a problem. They said that while some payments had been blocked, that was because RBS had fraud concerns, rather because they were gambling transactions.

Our investigator found that it was fair that RBS wasn't on notice of any such problems, until 8 December 2024, when he contacted RBS and told it more about his situation. At this point, they felt that RBS could have offered Mr W more help and support than it actually did. The investigator also found that the response to Mr W's complaint didn't fully deal with his concerns.

Our investigator then addressed the subsequent period of gambling transactions on Mr W's account. They found that while RBS could have done more during the call on 8 December 2024, Mr W was aware of RBS's gambling block facility on his account and had activated this previously, but he'd also then removed the blocks. In the circumstances, the investigator thought that even if RBS had offered more help and support in the call of 8 December, Mr W would still have made the transactions. They did think RBS should pay Mr W £250 to compensate him for the impact of not helping him more though.

There was then some back and forth between the investigator, Mr W and RBS – but the investigator didn't change their mind and Mr W continued to disagree with the outcome and so the complaint was referred to an ombudsman 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 RBS isn't responsible for how Mr W spends his money. Banks like RBS should generally follow their customers instructions unless they believe there is good reason not to. I accept that Mr W made many high value payments for gambling. But that doesn't mean that RBS was under any obligation to restrict or stop payments for this specific reason.

With this in mind, what I've considered is whether it would have been fair and reasonable for RBS to have intervened at some stage either before, or during Mr W making the payments in question here.

#### Payments made around the start of December 2024

When Mr W made the gambling payments around the start of December 2024, RBS wasn't on notice that he had any sort of problem with gambling. Before these payments were made, I've seen that Mr W had calls with RBS on 25 November 2024 and 27 November 2024 where he explained he was having issues using his debit card and wanted to use gambling sites. RBS explained that these issues were because his debit card had been reported as lost.

Neither of these calls would have reasonably put RBS on notice that Mr W had any sort of problem with gambling or compulsive spending, beyond some administrative issues he was facing in making payments. I've also considered that when Mr W made these payments, he did so using an available balance on his account. On 26 November 2024, Mr W applied for a reduction in his overdraft, but I don't think that would have meant that RBS could have been aware of any specific reasons behind why Mr W may have been doing that.

Mr W has said he was taking out loans to fund these payments, but having considered his statements, it would have looked to RBS like he was just transferring money from another account, rather than necessarily borrowing, to make these gambling payments. While some of these payments were blocked by RBS, that wasn't because it had any concerns about gambling – rather that it wanted to make sure that Mr W was the person genuinely making the payments, which he confirmed he was.

Mr W says that at this point, he hadn't used the account for purchases or gambling transactions for over two years and so RBS should have noticed that these payments were out of character. But I don't think that, in and of itself, is enough of a reason for RBS to have fairly been on notice that Mr W needed help and support here. There were significant payments made, but also a number of payments into the account. Mr W didn't exceed any agreed limits and there were no other obvious signs of him borrowing to make these payments, so I don't think RBS can fairly be held liable for Mr W making them, or for not intervening.

### Further payments later in December 2024

On 3 December 2024, Mr W activated a block on his account for online gambling transactions. So at this point, RBS was aware that he wanted to control his gambling payments. Additionally, on 8 December 2024, RBS was made aware that Mr W had a gambling problem. During this call, the member of staff Mr W spoke to seemed to frame his concerns as relating to fraud rather than the real issue he was reporting and was unhappy with – which was that RBS allowed him to make payments without intervention where previously it had blocked transactions.

I think that was an unhelpful response to Mr W, who presented his issues clearly and talked openly about the problems he was having. I think RBS could have done more at this point to have engaged with Mr W in a meaningful way. For that, our investigator recommended that RBS should pay him £250 and I think that's a fair and reasonable amount for the distress and inconvenience this would have had on Mr W. But that doesn't automatically mean I can tell RBS to refund him the payments in the way he wants.

I say this as when Mr W spoke to RBS on 12 December 2024, the member of staff he spoke to was helpful and explained the options open to him. During that call, the member of staff explained that there were blocks placed on certain transactions around the start of December 2024 and that Mr W had confirmed that everything was ok with these, so this is why they went ahead. He then explained that there was still a block on his account and Mr W said that he would keep this there and remove it in time.

That member of staff also said that he would refer Mr W to a protection manager at RBS who could talk to him about gambling. Mr W declined this though, as he wanted to sort out his finances first. The member of staff also reminded Mr W about steps he could take on his online app.

Having listened to the call, I think this advice was helpful and constructive. It seems like Mr W understood the situation at this point and knew what he could do if he needed any additional help and support on his account.

On 3 December 2024, Mr W applied to increase his overdraft and on 16 December 2024 he then removed the gambling block, before making further gambling payments of £4,800 on 19 December 2024. So these payments were made in a very different context to those made at the start of December 2024, because at this point RBS was aware that Mr W had a problem with gambling and had engaged with him about this. Yet RBS still allowed the payments to go through.

I can see why Mr W has questioned that in the circumstances, given that by this point RBS knew he had a problem gambling and had also used his overdraft to make these payments. But equally, the payments still left his balance within the agreed overdraft limit and at this point he was aware of what RBS could do and what steps he could take to try to prevent payments like this.

Even if I were to consider that RBS should have intervened in these payments, I don't think the outcome would have been any different here. Mr W showed that he was willing to remove blocks on his account where these were in place and had RBS have asked him any further questions about his spending here, either in the context of fraud concerns or more generally, then I think Mr W would more likely than not have answered these in a way that allowed the payments to go ahead, given the circumstances here.

Equally, it seems that Mr W also had another account that he could have made payments from too, so even if RBS took further action – it's not clear that it would have necessarily

prevented him from making these payments in alternative ways.

I know Mr W sees this very differently, but this is what the evidence leads me to impartially conclude in the circumstances. In saying this, it's worth mentioning that I have considered all that Mr W has said and provided us in the course of dealing with this complaint (even if I may not have needed to specifically refer to it in this decision). I thank him for his honesty in providing such personal information and I don't doubt that the circumstances of this complaint were motivated by his gambling problem and the conditions he's told us about. But where I can't say that RBS could reasonably have been aware of such circumstances and where I don't think its intervention would have made a difference, I can't conclude that RBS can be held liable for the payments Mr W thinks it should refund him.

So my decision is that RBS should pay Mr W £250 for the impact of its customer service on him, but I don't make any further award.

### **My final decision**

The Royal Bank of Scotland Plc must pay Mr W £250 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 24 October 2025.

James Staples  
**Ombudsman**