

The complaint

Mrs P complains that National Westminster Bank Public Limited Company didn't identify she was using her NatWest current account for gambling transactions.

What happened

Between June 2023 and February 2025, Mrs P used her current account to gamble. She'd developed a gambling addiction and has disclosed information about her medical conditions that I won't name here to protect her privacy. During this time, Mrs P spent nearly £80,000 spread over more than 600 gambling transactions.

In February 2025, Mrs P notified NatWest of her gambling addiction. She complained NatWest hadn't fulfilled its responsibilities to her because it didn't monitor her accounts for unusual activity and didn't provide adequate support to help her avoid further losses.

NatWest didn't uphold Mrs P's complaint. It said her transactions hadn't been flagged for additional security or fraud, and were all authorised by her. So, it wouldn't refund any of the transactions. NatWest said Mrs P had now applied a gambling block to her account and provided details of the support available to her.

Unhappy with NatWest's response, Mrs P referred her complaint to our service. Mrs P explained the background to her complaint and felt it had similarities to another case decided by another Ombudsman.

One of our investigators reviewed Mrs P's complaint but didn't think NatWest was obliged to refund any of the gambling transactions. Mrs P generally maintained her account with a credit balance until August 2024 and she hadn't asked NatWest for any help, so it wasn't obliged to monitor her account or how her funds were being used. From August 2024 Mrs P's overdraft use became more frequent. Whilst we'd expect NatWest to review an overdraft after one year of frequent usage, Mrs P contacted NatWest within this period. So, it hadn't yet been obliged to review her overdraft usage.

Mrs P asked for an ombudsman to consider her complaint so it was referred to me for a 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.

Having done so, I've reached the same conclusions as our Investigator for broadly the same reasons. I realise this will come as a disappointment to Mrs P, but I'll explain my reasons.

I'll start by explaining that whilst Mrs P feels her complaint has similarities to another complaint that was upheld by our service, I won't be commenting on it. Every complaint is considered independently based on the individual circumstances and evidence available.

Mrs P says NatWest failed to monitor her account. However, NatWest isn't obliged to have its staff monitor individual accounts. Manual reviews with a staff member reviewing account statements happen only after a specific risk is identified. Instead, businesses rely on algorithms to identify any risks to the account and the account holder. A fraud algorithm wouldn't necessarily identify that a consumer is gambling. Instead, it will look for indications that the transactions weren't genuinely authorised by the consumer. So, the fraud algorithm won't report any issues if the transactions are fully authorised, even if a person reviewing those transactions might think they were excessive or represented a different type of risk.

Mrs P was generally maintaining her account within the agreed limits until February 2024. She started using her arranged overdraft limit on a regular basis from September 2023, with her account returning to credit each month until November 2024. There isn't anything that should have alerted NatWest to a problem. Mrs P wasn't doing anything illegal or operating outside of the terms of her account. There were no signs of financial stress, such as using an unarranged overdraft or regularly having insufficient funds to cover outgoing expenses. Frequent transfers from a savings account don't in itself indicate financial stress. Overall, I don't think there was anything that should have alerted NatWest of a need to offer Mrs P assistance.

From November 2024 onwards, Mrs P's account was almost continuously overdrawn. It was still operating within the agreed overdraft limit until February 2025, when it exceeded the limit for around five days. This was shortly before Mrs P alerted NatWest to her gambling addiction. There still weren't any common markers of financial difficulty, such as the regular exceeding of agreed overdraft limits, that should have prompted NatWest to review Mrs P's account before she alerted them to her gambling addiction in February 2025. NatWest was expected to review regular overdraft usage after a year, and this point had not yet been reached so I don't think it was obliged to do more before February 2025.

Once Mrs P alerted NatWest to her gambling addiction, it offered her appropriate support as we would expect it to do. While I sympathise with Mrs P and can only imagine how devastating this entire matter has been, I can't say that I think NatWest failed to handle her complaint reasonably or was obliged to refund any of the gambling transactions she has complained about.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 16 December 2025.

Victoria Blackwood
Ombudsman