

The complaint

Mr L complains that THE ROYAL BANK OF SCOTLAND PUBLIC LIMITED COMPANY (RBS) failed to advise or intervene when he spent a large sum on gambling transactions

What happened

On 13 and 14 January 2026 Mr L says he spent over £9,500 (in fact just over £4,500) on gambling transactions. He's told us that he suffers from ADHD which led to him compulsively spending. And that he had previously advised RBS about this. He complained that RBS had failed to identify, respond to, and intervene in clearly harmful gambling activity. And that it had failed to support a clearly vulnerable customer.

RBS said it followed the right process as it automatically screens for gambling transactions, but it does not challenge spending choices. It said it had no markers concerning Mr L's ADHD diagnosis.

On referral to the Financial Ombudsman Service, our Investigator said she didn't think RBS had any obligation here to stop Mr L making legitimate transactions and therefore didn't think it was liable for his losses.

Mr L disagreed and 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.

With regard to whether RBS should have recorded Mr L's ADHD diagnosis, this isn't something that would be recorded automatically. The Bank would need to discuss it with him and agree what should be put on his record. It may be that the branch staff should have drawn this to his attention but without knowing the details of the interaction that took place on the day he visited the branch, I wouldn't be able to find that RBS should have recorded this. In any event I don't think that this would automatically be linked to alert the Bank to a high amount of spending on the account.

Aside from that, the presence of gambling in itself, doesn't automatically mean that the customer is vulnerable or compulsively spending. It could be an indication of vulnerability, but it wouldn't be appropriate for RBS to assume that a customer needs additional support just because gambling transactions are being made.

I've noted that the only time Mr L gambled was during two days in January 2026. He told us he'd spent £9,500 on gambling. I've raised this with Mr L and he agrees this figure is in fact £4,500.

Banks and Financial Institutions do need to have systems in place to identify whether their customers are having problems managing their spending. It is however important to note that bank accounts are not manually reviewed. So, in order for RBS to know that Mr L might

be having a problem it would need to be alerted to identify unusual spending on the account. Mr L didn't tell RBS that he had a problem with gambling so RBS would have needed to be alerted to this by:

- The transactions themselves being identified as possibly fraudulent.
- Mr L having financial problems e.g. if the account was frequently overdrawn or over the limit. Or they had applied for loans or credit from the Bank.
- Unusual and/ or out of character account activity.

The gambling transactions weren't identified as fraudulent – being legal payments to a known online betting site. I've noted that for some of these transactions Mr L had to approve them before they went through, and he did so.

Also Mr L appeared to run his account well, he didn't go overdrawn at any stage. He didn't appear to be having financial problems which RBS could have recognised from his account activity. There were no missed or returned payments.

As to whether the spending was unusual or out of character there's no record of any spend on gambling outside of those two days (the funds debited the account up to two days after the transactions). Bearing in mind the amount spent, from the statements for the months before it wasn't unusual for Mr L to spend that amount of money. And in my view even spending that amount on gambling for a very short time with no other gambling wouldn't be sufficient for RBS to identify this as a possible problem.

A further point is that Mr L feels RBS should have intervened and applied appropriate safeguards. Even if we were to find that RBS should have identified that he was gambling excessively, this wouldn't be an immediate thing, as by the time the matter was considered and they communicated with him, the transactions would have gone through. And he self-identified that he had a problem and wrote to RBS on 14 January. For example a gambling block would have needed 48 hours to take effect. The sort of support that we would consider appropriate was as set out in RBS's response of 16 January. I think it unlikely that this would have happened sooner, even without his letter to RBS.

Mr L has raised a point that we said that if the payments had been flagged for additional checks, he would've confirmed it was him making these payments and wanted to do so, therefore they would've been cleared and left his account anyway. He believes that is speculative and not an appropriate basis to decide whether additional safeguards should have been applied. This might have been relevant if he'd continued to gamble and there was a chance to intervene. In this case I don't need to decide whether or not he would have approved the payments, over and above those he actually approved.

To be clear when considering whether to award compensation or to require the Bank to take any other action, we look at what actually happened rather than what might have happened. Having taken what happened into account, for the above reasons I won't uphold this complaint.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 27 April 2026.

Ray Lawley
Ombudsman