

The complaint

Mr H complains NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY had a problem placing a gambling block on his account and during the delay he gambled approximately £4,000. He wants his net losses refunded and compensation for the distress and inconvenience caused.

What happened

Mr H has an account with NatWest. He has accounts elsewhere too.

Mr H called NatWest to say he was having problems activating the gambling block on his account. He says the agent he spoke to had problems too and said they'd escalate the matter. He says he called back several days later – because no-one got back to him – and the agent he spoke to on that occasion was able to get a gambling block put in place. He complained at that stage saying that he'd spent approximately £4,000 gambling because the block hadn't been put in place when he first called.

NatWest looked into Mr H's complaint and paid him £80 in compensation as not getting back to him was poor customer service. NatWest didn't agree to reimburse his gambling losses. Mr H was unhappy with NatWest's response and so complained to our service.

Following our involvement NatWest offered to refund Mr H's net gambling losses. NatWest calculated these to be just under £70. In addition, NatWest offered to pay Mr H a further £100 in compensation. Our investigator thought that NatWest's offer was fair and reasonable. Mr H didn't, saying that the "winnings" NatWest had taken into account weren't linked to his gambling in September 2025. Ultimately, he asked for his complaint to be referred to an ombudsman for a decision. His complaint was, as a result, passed to me.

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.

Last week I issued a provisional decision in which I said that I wouldn't have told NatWest to refund any of Mr H's gambling losses – had it not offered to do so – as I didn't think its gambling block would have made a difference even if Mr H had been able to activate it. In addition, I said that it was right of NatWest to acknowledge that it provided Mr H with poor service, and that the additional £100 it had offered was fair. Both parties were invited to comment on my provisional decision, and both did.

Mr H disagreed with my provisional decision and in particular my finding that "the block wouldn't have made a difference" saying that this was factually incorrectly, deeply flawed, and unfair to him as a vulnerable customer. He said that the evidence he'd sent showed that there was a 42-day gap between his gambling in September and "when I started playing again in October". He said his evidence also showed NatWest's block was still not working in November 2025. And that I'd deducted winnings he'd generated in October 2025 from losses he'd made in September 2025 which was flawed and unfair. He said it wasn't until October

2025 that he'd transferred funds from benefits and other sources into an account he held elsewhere – and that it was these funds that he used to “play in October”. He also said £100 in compensation didn't fairly reflect the severity of NatWest's failure. In addition, he said that following NatWest's advice he's now voluntarily signed up to GamStop and so is indefinitely excluded from gambling.

NatWest said that it agreed with my provisional decision and that it had already paid Mr H £80 in compensation, so it understood my recommendation to be that a further £20 in compensation was due.

In my provisional decision I made the following findings about the dates on which Mr H gambled in the period July 2025 to September 2025:

“Although Mr H has said that he spent £4,000 on gambling in one night whilst drunk, I'm satisfied that he gambled over several days – starting on 29 August 2025 and he says finishing on 4 September 2025.

I'm satisfied that 29 August 2025 wasn't the first time Mr H had gambled using the merchant his complaint relates to. I say that because I can see, for example, he sent £600 to that merchant – in three separate transactions – on 30 July 2025. More importantly, I think it's more likely than not that Mr H continued gambling on 5 and 8 September 2025. I say that because I can see he made multiple transfers from his account with NatWest to other accounts in his name consistent with payments he makes in October 2025 that he's confirmed were him “self-funding” further gambling. This is, in my opinion, significant because it shows that even when the gambling block was in place Mr H found ways round it so that he could continue to gamble. Because of this, I'm not satisfied it would have made a difference had the first agent been able to activate Mr H's gambling block when he called on 1 September 2025 which is when I find he called.”

Because I was satisfied – based on the evidence I'd seen – that Mr H continued gambling on 5 and 8 September 2025 (in other words, after NatWest's gambling block was in place) I also said that I was not satisfied it would have made a difference had the first agent been able to activate the gambling block when Mr H first called NatWest (on 1 September). Because I was satisfied of this, I said that I wouldn't have told NatWest to refund any of Mr H's gambling losses had it not done so. That means I haven't considered whether or not it's fair of NatWest to deduct “winnings” Mr H says he generated in October 2025 from losses he says he made in September 2025. Our investigator did. I didn't – and that was one of the main reasons why I issued a provisional decision.

I've considered Mr H's submissions that the evidence he's sent us shows that there was a 42-day gap between his gambling in September and when he “started playing again in October”. Having done so, I can't agree. I say that because I can see Mr H made multiple transfers (over 10) from his account with NatWest to an account he holds elsewhere totalling more than £4,500 over a four-day period. These transfers are consistent with multiple transfers he made in October 2025 that he's confirmed were him “self-funding” further gambling. Or, to put it another way, are more likely than not transfers Mr H made with a view to gambling. I asked Mr H to send me statements for accounts he holds elsewhere so I could see what happened to the payments he made during that four-day period. He said he couldn't do so as the accounts in question are now closed. I've, therefore, had to base this decision on the evidence available to me. I'm satisfied, having considered the additional material that Mr H has sent in, that Mr H didn't stop gambling on 4 September 2025. Or, to put it another way, I'm satisfied that he continued to gamble even after NatWest had successfully applied its gambling block to his account – a block that would have stopped him making card payments to any merchants classified as gambling merchants.

In his evidence, Mr H relies on the fact that NatWest credited £80 to his account in November 2025 as evidence that its gambling block wasn't working then and / or evidence that it unfairly deducted his "winnings" in October 2025 from his "losses" in September 2025. I'm satisfied that this £80 was compensation NatWest paid Mr H in relation to his complaint so isn't evidence that its gambling block wasn't working etc. In its response to my provisional decision, NatWest has suggested that this means it only needs to pay Mr H an additional £20 in compensation. I disagree. I say that because NatWest offered to pay Mr H a "further" £100 in compensation. Because we base compensation on the impact an error has rather than the error itself, I don't agree with Mr H that £100 isn't enough to reflect the "severity" of NatWest's failure. More importantly, I consider that a further £100 in compensation is fair.

We deal with a large number of complaints from consumers who have lost thousands of pounds as a result of problem gambling – sometimes tens or hundreds of thousands. This is an issue that can cause real harm. I, therefore, have every sympathy for Mr H. In this case, however, I don't agree that it would be fair to make NatWest liable for his losses. I can see that Mr H has told us that following NatWest's advice he's now voluntarily signed up to GamStop. That's a really positive step – and one that I hope he's able to build on.

Putting things right

NatWest's offer to pay Mr H a further £100 in compensation is fair. That is, therefore, the award I'm going to make. I'm not going to ask NatWest to refund any gambling losses.

My final decision

My final decision is that I'm upholding this complaint and require NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY to pay Mr H a further £100 in compensation in full and final settlement of his complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 29 April 2026.

Nicolas Atkinson
Ombudsman