

The complaint

Mr E complains that National Westminster Bank PLC (“NW”) allowed him to use his account to enter into gambling transactions worth over £85,000 despite him applying a gambling block.

What happened

Mr E holds an account with NW. He’s unhappy that gambling transactions have been allowed to debit his account after 28 April 2025 when there was a gambling block on his debit card. Since then, Mr E says he’s been able to spend over £85,000 in gambling transactions.

Mr E complained to NW. NW didn’t uphold the complaint. In its final response dated 18 September 2025 it explained that the gambling block only applied to debit card transactions. It said that many of the transactions which were disputed by Mr E were faster payments which were not within the scope of debit card controls. NW explained that the block can only stop transactions that can be identified as a gambling merchant with MCC code 7995. It said that unregulated gambling sites use a variety of different codes to mask the services they provide, which is why payments have been allowed to go through on Mr E’s account.

Mr E remained unhappy and brought his complaint to this service.

Our investigator upheld the complaint. They said they could see that NW had declined a number of transactions due to the gambling block being activated. They said the transactions Mr E had made using open banking, faster payments or payments to sites which weren’t categorised as gambling transactions weren’t caught by the gambling block and that they couldn’t hold NW responsible for these. The investigator said that when Mr E contacted NW on 7 July 2025 and advised them that a transaction he wanted to verify was for gambling, NW should’ve taken action to offer support to Mr E. The investigator noted that NW had offered Mr E options to stop transactions when it spoke to him on 4 September 2025, but Mr E hadn’t accepted any of the options. The investigator said that whilst they didn’t think that offering support on 7 July 2025 would’ve stopped Mr E from using his account for the transactions, it would’ve been reasonable to offer support at this time. The investigator recommended that NW pay compensation of £200 to Mr E to acknowledge this.

Mr E didn’t agree. He said that NW had failed to act appropriately when there were clear indicators of gambling vulnerability. He said he’d contacted NW multiple times to unblock his card after transactions were flagged and during the calls he’d confirmed that the transactions were gambling related. Mr E said this happened over a short period of time and should’ve prompted further safeguarding action.

Because Mr E didn’t agree I’ve been asked to review the complaint.

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.

I know it will disappoint Mr E, but I agree with the investigator's opinion. I'll explain why.

I've read and considered the whole file, but I'll concentrate my comments on those points which are most relevant to my decision. If I don't comment on a specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

I've reviewed the statements for Mr E's account, and I can see that following the application of the gambling block, several transactions have been declined. This indicates to me that the gambling block was working as expected.

Mr E has said that despite the gambling block being applied, he was able to make over £85,000 of transactions. I've reviewed these and I can see that these were made using open banking, faster payments, or to unregulated gambling sites who use different merchant codes to mask their services.

NW has explained in its final response that the gambling block is only effective as against regulated UK gambling sites. A specific merchant code is used for these transactions. The gambling blocks functionality is dependent on identifying this code, so if the transaction is made using a method other than debit card and/or with an unregulated merchant using a different code, the block won't attach to that transaction. This is outside of the control of NW so I can't fairly hold it responsible for the transactions that weren't picked up by the gambling block.

The thrust of Mr E's argument is that NW should've identified his gambling issues and vulnerability sooner and taken steps to safeguard him. I've listened to the available calls, and I've reviewed the chat messages between Mr E and NW's virtual assistant.

Mr E has said that he contacted NW multiple times to unblock his card and that during these calls he confirmed that the transaction was gambling related. The call dated 7 July 2025 is an example of this. I agree that Mr E told NW that the transaction was for betting. The gambling block was in place on Mr E's account at this time, so I think that Mr E's disclosure ought to have alerted NW to the fact that Mr E was continuing to engage in gambling transactions despite the block.

I've thought about what NW could've done to support Mr E at this stage. I can see that NW had discussions with Mr E on 1 August 2025 and 4 September 2025 about the limitations of the gambling block and the options available. These calls are – in my view- instructive of the type of support NW would've offered on 7 July 2025 had it entered into discussion with Mr E about support at that stage. I think NW would've offered Mr E the same options on 7 July 2025 as it offered him on 4 September 2025. For clarity, this option was to disable online banking.

I can see from the call dated 4 September 2025 that Mr E declined the option to disable online banking. His rationale for doing so was that he needed online banking to manage his finances. I think it's more likely than not that, had he been offered the option of disabling online banking in July 2025, Mr E would've declined it and given the same rationale. So whilst I think – as I've said – that NW could've done more by offering options during the call on 7 July 2025, I'm not persuaded that the overall outcome would've been any different.

For the reasons I've given, I agree with the investigator that NW should pay £200 compensation for missing the opportunity to offer support to Mr E during the call on 7 July 2025. I'm not persuaded that the compensation should be increased to cover Mr E's losses,

because – for the reasons I've explained – I'm not persuaded that any offer of support would've been accepted by Mr E on 7 July 2025 and therefore the failure to offer support hasn't caused Mr E any financial loss that he wouldn't have suffered in any event.

Putting things right

To put things right, National Westminster Bank Plc must pay compensation of £200 to Mr E.

My final decision

My final decision is that I uphold the complaint. National Westminster Bank Plc must pay compensation of £200 to Mr E.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 19 May 2026.

Emma Davy
Ombudsman