

## **The complaint**

Mr B complains that National Westminster Bank Plc allowed payments he hadn't authorised to debit his account.

## **What happened**

Mr B says that payments from his account of £941.99 and £299.90 on 18 November 2021 weren't agreed by him. And that the delay in obtaining a refund meant he had to enter into an individual voluntary agreement (IVA).

NatWest said that the payment of £941.99 had been refunded on 6 January 2022 following a chargeback and Mr B hadn't complained to it about this. Mr B complained about the payment of £299.90 in April 2022 and this was by then outside the timescales for raising a chargeback. But it said it refunded this as a gesture of goodwill and paid him £100 for poor service.

Our investigator recommended that NatWest pay eight percent simple interest per annum on the payments until these were refunded. She didn't think that there was compelling evidence to show that these payments resulted in an IVA. That was made for debts far higher than the amounts in question here. And the compensation was reasonable.

NatWest said it would pay the further amount to resolve the complaint.

Mr B didn't agree. He said that he should have been protected from fraud and this had resulted in health issues and financial problems.

## **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.

These payments have been refunded so I don't need to make a decision about whether they were authorised. NatWest accepts that the time Mr B had spent on the phone about this dispute was excessive and that branch staff hadn't dealt with him in the correct manner.

I've reviewed the information he's provided about his IVA. I can see that on 7 January 2022 he received confirmation it had been approved. And he's provided information about discussions he had about this in December 2021 and that he's been in default with several of the named creditors.

While I don't doubt that not having the disputed money was difficult for Mr B, I don't agree that this was the cause of his IVA. As our investigator has said the total amount of the IVA was higher than this and related to wider financial difficulties over time. The information to show that he could otherwise have avoided an IVA is limited and insufficient.

The person primarily responsible for the initial distress caused by the disputed payments is the fraudster involved. And I'm looking at how NatWest responded to this. The payment of £941.99 was refunded in January 2022. And as I've said the other payment was refunded in

April 2022 when Mr B escalated this. I think that the compensation payment made reflects the service issues.

NatWest has also agreed to pay simple interest on the payments. That's because Mr B has been deprived of the money. I consider that's a fair resolution here although can appreciate Mr B will remain disappointed by the outcome. I also mention that he'll need to continue to ensure when receiving payments from NatWest he complies with the terms of his IVA.

### **My final decision**

NatWest has now made an offer to settle this complaint which I think is reasonable in all the circumstances. So, my decision it that National Westminster Bank Plc additionally pay Mr B simple interest of eight percent per annum on the disputed payments from the date they were debited to the date they were refunded

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 27 January 2023.

Michael Crewe  
**Ombudsman**