

The complaint

Mr and Mrs P complain that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY won't refund the money they lost when they were the victims of what they feel was a scam.

What happened

In December 2023, Mr P saw an advert on an online marketplace selling a movie streaming website that would generate monthly income. He contacted the seller and, after discussing the website with them and having a number of video calls where he was shown how it worked, Mr P agreed to buy the website. Mr and Mrs P then made a payment of £5,000 from their NatWest account to account details the seller gave Mr P.

Mr P has said he was given log in details and control over the website. But when he then did some checks on it, he found that it didn't receive many visitors and so was very unlikely to generate the amount of income the seller had said it would. Mr and Mrs P then reported the payment they had made to NatWest as a scam, and asked it to refund the money they had lost.

NatWest investigated but said Mr and Mrs P had received a partial service from the seller, so it considered this a dispute between them and the seller – rather than a scam. And so it didn't agree to refund the payment they had made. Mr and Mrs P weren't satisfied with NatWest's response, so referred a complaint to our service.

One of our investigators looked at the complaint. They didn't think there was enough evidence to say Mr and Mrs P had been the victims of a scam here, and that the available evidence suggested this was a dispute between them and the seller over the quality of goods they had received. So they didn't think NatWest should have to refund the payment Mr and Mrs P had made. Mr and Mrs P disagreed with our investigator, so the complaint has been 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.

In broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. However, where the customer made the payment as a consequence of the actions of a fraudster, it may sometimes be fair and reasonable for the bank to reimburse the customer even though they authorised the payment.

NatWest is a signatory of the Lending Standards Boards Contingent Reimbursement Model (the CRM code). This requires firms to reimburse customers who have been the victim of certain types of scams, in all but a limited number of circumstances. But customers are only covered by the code where they have been the victim of a scam – as defined in the code.

The relevant definition of a scam from the CRM code is that the customer transferred funds to another person for what they believed were legitimate purposes but were in fact fraudulent.

The CRM code also says it doesn't apply to private civil disputes, such as where a customer has paid a legitimate supplier for goods or services but has not received them, they are defective in some way, or the customer is otherwise dissatisfied with the supplier.

So in order to determine whether Mr and Mrs P have been the victims of a scam as defined in the CRM code I need to consider whether the purpose they intended for the payment was legitimate, whether the purposes they and the seller of the website intended were broadly aligned and then, if they weren't, whether this was the result of dishonest deception on the part of the seller.

But I'm not satisfied the evidence I've seen shows that the seller of the website intended a different purpose for the payment than Mr and Mrs P, or that Mr and Mrs P's and the seller's purposes for the payment weren't broadly aligned.

The advert on the online marketplace described what was being sold as a website. And from what I've seen of Mr P's communication with the seller, it appears his understanding was that he was paying for control over the website and the right to receive any income it generated.

But from Mr P's communication with the seller and what he subsequently told NatWest it appears that, after the payment was made, he was given control over the website. He was sent log in details for where the website was hosted, and he confirmed to NatWest that he received the website. I've also not seen anything to suggest that Mr P wouldn't then have received any income the website generated.

So I think Mr P received the website that the payment from Mr and Mrs P's account was made to purchase. And so the money Mr and Mrs P paid was used for the purpose they intended it to be.

I appreciate Mr and Mrs P have argued that they were told the website had been and would continue to generate a significant income each month but that, once Mr P had control over it, they could see that it only received a very small number of visitors and so was very unlikely to generate the amount of profit they were told.

But while the seller may have exaggerated the existing success of the website and the income that would likely be received from it, I still think Mr and Mrs P and the seller had broadly the same understanding of the reason for the payment – which was to purchase the website. And as Mr P received the website the payment was made to purchase, I don't think any misrepresentation around the income generated by the website is enough to say the circumstances here meet the definition of a scam.

Mr and Mrs P have also said that the seller pressured them to make payments and use a payment method that offered less buyer protection, was evasive and provided inconsistent information and refused to provide a refund. But while these things might suggest the seller wasn't acting as I might expect a professional business to do, acting unprofessionally does not mean someone intendeds to operate a scam.

So I'm not persuaded that the available evidence is sufficient to safely conclude that the purpose the seller of the website intended for this payment was different than the purpose Mr and Mrs P intended. And so I think NatWest has acted reasonably in saying the

circumstances here don't meet the definition of a scam from the CRM code, and in not agreeing to refund the money Mr and Mrs P lost from this payment as a result.

I sympathise with the position Mr and Mrs P have found themselves in and I appreciate that they have lost a significant amount of money. I'm also in no way saying they did anything wrong or that they don't have a legitimate grievance against the seller of the website. But I can only look at NatWest's responsibilities here and, for the reasons I've explained above, I don't think it would be fair to hold NatWest responsible for the money they lost.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs P to accept or reject my decision before 10 October 2025.

Alan Millward
Ombudsman