

The complaint

Mr K complains NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY didn't do enough to protect him from financial loss to a scam.

What happened

The background to this complaint is familiar to both parties, so I'll only refer to some key events here.

In 2017 Mr K received a call advising him his computer had been hacked. The caller advised him to download remote access software and then told Mr K he needed to pay for the work undertaken to protect his computer from hackers. Over subsequent years Mr K received further phone calls during which he was told his subscriptions had expired and he needed to make further payments.

Between September 2017 and June 2023, Mr K made eight debit card payments to three different merchants totalling £10,529.04. The largest payment was £1,495.73.

Mr K became suspicious when NatWest blocked a further attempted payment in October 2023. The scammers then advised him to purchase a pre-paid money card, but this transaction was also blocked. When Mr K asked if he could pay by BACS or cheque, this was refused. Concerned, he contacted NatWest's fraud team and realised he'd likely been scammed.

Mr K later complained to NatWest that it hadn't done enough to protect him from financial harm. He said it ought to have recognised his transactions were unusual, suspicious and likely related to a scam. He said had it done so he wouldn't have made the payments, and his loss would have been prevented.

NatWest refused to reimburse Mr K's losses. It noted that Mr K's payments appeared to have been made to a genuine software company. It said it could not raise a chargeback in respect of the debit card payments because the time limits set out by the card scheme rules had already expired. It confirmed the payments had also not triggered its fraud prevention system, so it was not at fault for processing the payments in line with his instructions.

Unhappy with NatWest's response, Mr K referred his complaint to the Financial Ombudsman. Our Investigator didn't uphold his complaint. She concluded the disputed payments were not unusual or suspicious enough to have warranted intervention from NatWest. Therefore, she did not think NatWest could reasonably have prevented Mr K's loss. She also found that NatWest could not have reasonably recovered the funds, as the time limits for making a chargeback had already expired.

Mr K disagreed and asked for an Ombudsman's final decision. He considered that NatWest should have intervened in his payments, which he didn't agree were typical for his usual account usage. He said that had NatWest intervened and discussed common scam tactics it would have broken the scammer's spell, and he would not have lost any more money. He also questioned why NatWest had agreed over the phone in October 2023 he'd been

scammed - which resulted in it cancelling his cards and him being advised to change his mobile number and contact Action Fraud – but then stated in its final response that the payments were genuine.

The complaint has now been passed to me to decide.

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'm aware I've summarised this complaint and the relevant submissions briefly, in much less detail than has been provided, and in my own words. No discourtesy is intended by this.

In this decision, I've focussed on what I think is the heart of the matter here. Therefore, if there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I consider is the right outcome. Our rules allow me to do this, reflecting the informal nature of our Service as a free alternative to the courts.

As such, the purpose of my decision isn't to address every single point raised. My role is to consider the evidence presented by the parties to this complaint, and reach what I think is an independent, fair and reasonable decision, based on what I find to be the facts of the case.

Has Mr K lost money due to a scam?

I understand there is some uncertainty around whether Mr K has in fact been scammed, or whether what happened was more akin to a merchant dispute.

NatWest has pointed to the fact that most of Mr K's payments went to merchants that appear to offer security software, which would suggest that he was not scammed.

However, I'm also mindful that Mr K's account of what happened strongly indicates he was the victim of a scam. For instance, he was instructed to download remote access software, giving someone control over his computer. He received repeated requests for large sums of money without any supporting documentation or contract. He was also threatened with even greater debts if he didn't make the payments. Taken together, these factors are highly suggestive of a scam.

For the purposes of this decision, I have therefore accepted that Mr K has most likely been scammed. But this does not automatically mean NatWest is required to reimburse him.

Instead, I must consider NatWest's role in processing Mr K's transactions, and whether there is any reason it should be fairly held responsible for his subsequent losses - either because it ought reasonably to have prevented them or because it was required to reimburse them.

I know this won't be the outcome Mr K is hoping for, but for similar reasons to our Investigator, I don't think NatWest is responsible for his losses. So, I don't think it has acted unfairly by not refunding him. I'll explain why.

Did NatWest need to intervene before it processed the payments?

It isn't in dispute that Mr K authorised the transactions in question. He is therefore presumed liable for his losses in the first instance. However, taking longstanding regulatory

expectations and requirements into account, and what I consider to be good industry practice at the time, NatWest should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

Ultimately there is a balance to be struck between identifying payments that could potentially be fraudulent and minimising disruption to legitimate payments. As such, I would not expect NatWest to intervene in a properly authorised payment unless it looked particularly unusual or suspicious, when compared with the usual account activity. And any intervention should be proportionate to the risk identified.

NatWest has demonstrated that a couple of Mr K's payments triggered a fraud check. This means NatWest had suspicions that someone other than Mr K may have made the payments. In response to this NatWest contacted Mr K, usually by text message, to confirm it was him making the payments. Given what NatWest knew about the payments at the time, and the risk it had identified that the payments may have been unauthorised, I think NatWest's response was proportionate.

I have reviewed Mr K's past account activity and the payments he made to the scam. Having considered when they were made, their value and who they were made to, I'm not persuaded NatWest ought to have found any of the payments suspicious, such that it ought to have made enquiries of Mr K beyond confirming that it was him making the payment, before processing them. The payment values (the largest payment being £1,495.73) were in keeping with Mr K's typical account spending (which regularly exceeded £2,000), the payments were spread out over the space of more than two years, and there was nothing known about the merchants to suggest the payments were suspicious or related to a scam.

Taking everything into account, while NatWest recognised Mr K was potentially at risk of financial harm from fraud, it responded proportionately to that risk. I do not think there was reason for NatWest to have had scam concerns at the time that ought to have led it to making more detailed enquiries about Mr K's payments. As such, I am unable to reasonably conclude that NatWest ought to have identified that his payments related to a scam, nor do I think it could reasonably be held responsible for the loss he suffered.

Could NatWest have done more to recover Mr K's losses?

I've considered whether, on being alerted to the scam, NatWest could reasonably have done anything more to recover Mr K's losses, but I don't think it could. The only possible option for recovery here, given the payments were made by debit card, would have been via a chargeback claim.

The chargeback system provides a mechanism to resolve disputes between a cardholder and a merchant. But the system is governed by a series of rules that are set and determined by the card scheme. This includes strict timescales within which a chargeback claim can be submitted. I'm satisfied that by the time Mr K first notified NatWest about his disputed payments it was already too late for a chargeback claim to be submitted. I'm therefore satisfied that NatWest acted reasonably in not pursuing a chargeback claim on Mr K's behalf.

In summary, while I'm really sorry to hear that Mr K has lost a considerable sum of money to what was likely a scam, I don't find there were any failings on NatWest's part that would lead me to uphold this complaint.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 25 September 2025.

Lisa De Noronha
Ombudsman