

The complaint

Mr D and Mrs T complain that National Westminster Bank Plc failed to protect their account when Mr D fell victim to a scam. And that it then unfairly closed this account.

What happened

While this complaint involves a joint account shared by Mr D and Mrs T, it's my understanding that Mrs T had no part in the scam that happened. So my decision will predominantly refer to Mr D.

Mr D has explained he got involved in cryptocurrency trading that turned out to be a scam and as a result of this he received contact from "recovery" firms. They offered to help him recover his funds, but at a cost, so he didn't engage with these initially. However, in September 2020, one such firm seemed knowledgeable and persuaded Mr D that they could help him if he shared his laptop screen with them and showed them the account where the lost funds had originated. Mr D did this, using screensharing software, but he says the scammer then took control and stole £2 and then £11,000 of the money in his joint account with Mrs T.

Over a week later, Mr D realised the scammer had then taken a further £11,500 and he reported this to NatWest. The next day, another £3,000 was taken and Mr D contacted NatWest again. NatWest accepted it should've blocked the account when Mr D reported the £11,500 had been taken, so it offered to refund him this amount, but didn't agree to refund the other payments. So Mr D came to our Service. Mr D also complained about his account closure at this time. Mr D explained that he had repaid the funds taken from the joint account.

NatWest responded to our Service's file request and said it should've awarded Mr D 8% simple interest on the £3,000 payment, so it was now offering this. Our Investigator didn't uphold Mr D's complaint, but said this offer was fair. Mr D disagreed and asked for an Ombudsman to review his 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.

NatWest has recognised that after Mr D alerted it to the disputed payment on 10 September 2020, it should've placed a block on the account. Had it done so, the £3,000 payment wouldn't have left the account. I agree the account should've been blocked at this time and so think NatWest's offer to refund this payment with 8% simple interest until the date of payment is fair. But I can't agree that it needs to refund any of the other payments involved in this scam. I'll explain why.

In broad terms, under the Payment Services Regulations ("PSRs") (2017), Mr D is generally liable for authorised payments – but NatWest is generally liable for unauthorised payments. The PSRs make it clear that a payment is authorised if Mr D consented to the execution of it.

And that consent must be given in the form, and in accordance with the procedure, agreed between him and NatWest.

In practice, that means a payment is authorised if Mr D completes agreed steps to make a payment (such as accessing the app, setting up a payee, and selecting an amount to send to them). But it's also authorised if he gave someone access to use that agreed form and procedure to make a payment.

Mr D accepts he gave a third-party access to his banking using screen-sharing software on 2 September 2020. But he says he didn't agree for them to make any payments. However, this doesn't match the evidence from the time.

I've listened to the calls Mr D had with NatWest after the first disputed payments and in more than one call he says it was him making the payments. I know Mr D now says this was because he was in shock, but I'm afraid I'm not persuaded this is the case. It doesn't seem plausible, even if he was in shock, that he would mislead the bank and say he wanted to recall funds he'd just sent, rather than explaining what had genuinely happened.

Mr D sounds confident and clear in the calls, not like he's in shock. And due to queues and system issues, he is waiting some time to speak to staff and has to speak to more than one person. He clearly explains each time that he wants to recall the funds because they haven't arrived in the expected account. This also indicates he had access or at least knowledge of the account they were meant to go to, rather than they were just taken by a third-party, as he's now indicated. And in a later call he says he'd just like the funds back now considering what's happened, indicating he was happy to send the money but now has doubts about what he's doing.

Mr D also calls NatWest again after the next two payments leave his account, over a week later, and in relation to all the disputed payments he says "*some I sort of authorised, but not these quantities*". So again, Mr D is indicating he was involved in some way in some of the payments.

I've reviewed Mr D's account access on the dates of the disputed payments. His online banking is logged into using the correct credentials and on the first attempt each time. I can see the IP addresses involved in the disputed payments match ones used for other activity on the account that isn't part of this scam. So this indicates that all the disputed payments were made with Mr D's involvement.

I recognise Mr D has said screensharing software was used the first day and I accept this would then show his IP address for the payments. But the IP addresses on every payment matches other, genuine activity on his account. Mr D would've needed to switch on his laptop and restart a screensharing session for the scammer to be making the payments from his device using his IP address. So I can't see how the payments were made using his IP address without his participation.

Considering the evidence we hold, I think it's most likely Mr D was involved in the sending of the funds at the time. I accept he's been the victim of a cruel scam and it's possible, even likely, he didn't fully appreciate what was happening. But I am satisfied he did authorise the payments in dispute here. The evidence we hold – including Mr D's own testimony – indicates he was involved at the time.

I've then considered whether NatWest ought to have done more to protect Mr D when the payments were made, or to try and recover the funds afterwards. But I can't safely say that any failings by NatWest had a material impact on the outcome here.

Considering the value of the two larger disputed payments and when they were made, I think NatWest could've questioned Mr D about what he was doing. But I can't safely say this would've changed what happened, considering it seems Mr D hasn't shared the true version of events with us. I can't be sure what he would've shared with NatWest or how he would've answered any questions it asked. And as the funds went to a cryptocurrency account in Mr D's own name, where the cryptocurrency was then sent on as part of the scam, NatWest couldn't have recalled these funds.

Mr D has also explained that he subsequently lost a large sum trying to recover his funds, which he says is a direct consequence of what happened on his NatWest account. He's explained he received emails saying there was bitcoin in his name and that he needed to send money in order to get it returned to him. But NatWest clearly tells Mr D this is a scam in one of the calls I've heard, and this is before he's sent any money to this new scam to "recover" the funds. So it's not clear why he then engaged with this scam, but this also indicates he was unlikely to heed any earlier warnings from NatWest about these scams, had it questioned him about the larger payments. He's also told us this recovery was related to a previous bitcoin scam he was involved in, so I'm not sure his subsequent loss does relate to the disputed payments at all. Either way, I don't think NatWest can fairly be held responsible for his losses from paying these firms, after it gives such a clear warning.

Mr D has also complained about the closure of his account with Mrs T. But as our Investigator explained, this was done in line with the Terms and Conditions of the account. So NatWest hasn't done anything wrong here – and isn't required to give Mr D and/or Mrs T a reason for the closure.

Putting things right

NatWest repaid Mr D the £3,000 he lost in August 2023, but it didn't pay him 8% simple interest on that sum, from the date of loss to the date of settlement, at that time. It should now arrange to pay him this amount, in line with its offer.

My final decision

For the reasons set out above, I consider National Westminster Bank Plc's offer fair and so don't award anything further in this case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D and Mrs T to accept or reject my decision before 10 April 2025.

Amy Osborne
Ombudsman