

The complaint

Mrs T complains National Westminster Bank PLC (“NatWest”) refuses to refund her for unauthorised transactions on her account, and that failed to protect her from financial harm.

Mrs T has a family member representing her, Mr T, who has brought the complaint on her behalf.

What happened

The facts of this complaint are well known to both parties, so I won’t repeat them in detail.

In short, Mr T says Mrs T made the transactions in dispute however at the time they were made she lacked the mental capacity to consent to do so. Multiple transactions - made on her debit card between March 2024 and June 2024, and her credit card between September 2023 and June 2024 – are now in dispute. Mr T says Mrs T suffers from a medical condition which causes her extreme mood swings, manic and depressive episodes and impulsivity. As such, Mr T says she shouldn’t be held liable for the transactions which she made to an online gaming company through ApplePay as they were made during one of her episodes.

Mr T has also complained about the poor customer service he received from NatWest in making this complaint. He has complained that NatWest ignored what he said about Mrs T’s vulnerabilities, which allowed this loss to occur.

NatWest considered Mr T’s complaint and decided to uphold it in part. It said it wasn’t aware of Mrs T condition at the time she made the series of payments, so it couldn’t have made any adaptations or put any special provisions in place. It also explained that as each payment was of a low value, to a known merchant, none of the payments were flagged as suspicious or caused any alarm. But NatWest considered what Mr T said about logging a complaint in September 2024 which he says wasn’t registered. So, it refunded the payments made from Mrs T’s credit card to ApplePay from 30 September 2024 onwards. This was a total of £111.44.

Our investigator considered this complaint and decided not to uphold it. Mr T wasn’t happy with this outcome, so the complaint has been passed to me for a final decision.

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.

Before I set out my thoughts, I want to acknowledge that I have summarised this complaint briefly and, in less detail, than has been provided. I’ve focused on what I think is the heart of the matter. Please rest assured that while I may not comment on every point raised, I have considered it. I’m satisfied that I don’t need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this and reflect the fact that we are an informal service and a free alternative for consumers to the courts.

Generally speaking, NatWest is required to refund any unauthorised payments made from Mrs T's account. Those rules are set out in the Payment Service Regulations 2017 and section 83 of the Consumer Credit Act 1974. And an authorised payment is one which was correctly authenticated and was consented to. There is no dispute here that the transactions were correctly authenticated using Mrs T's card details online via ApplePay, so there is no need for me to make a finding on this point. What is in dispute is whether Mrs T consented to the transactions.

Mr T's complaint centres around Mrs T's mental capacity at the time, which he says voided her ability to give consent. However, the laws that apply here do not make any provisions for a person's mental state or condition when giving consent. According to the Payment Services Regulation 2017, the test for consent is an objective test and the persons' personal circumstances are irrelevant. So, this means it doesn't matter if Mrs T was threatened, drugged or mentally unwell. As long as she carried out the steps to make the payments (such as entering her details to ApplePay and then using that online to click to make purchases) she is deemed to have consented to the payments being made.

I appreciate Mr T will be disappointed with this finding, and I have sympathy for his situation and the struggles Mrs T has been facing. But the regulations are clear on what amounts to consent when deciding whether a payment should be considered as authorised. And as I've outlined above, the circumstances as described by Mr and Mrs T amounts to authorised transactions.

I've also considered the frequency and amount of the transactions made, to consider whether NatWest should've flagged these transactions as suspicious. Usually we would expect large payments, perhaps international payments, or payments significantly out of character to be flagged. While there were a high number of payments made via ApplePay during this period, the amount of each individual transaction is small. There is no indication of where the payments were going via ApplePay, and Mrs T made regular payments in ApplePay prior to these disputed transactions. So overall, I don't think NatWest has done anything wrong by not flagging these payments to Mrs T. And even if it had, based on what Mr T has said about Mrs T being in an irrational frenzy of spending, I am not persuaded any intervention would've made a difference.

There are additional obligations on banks and financial service to consider any vulnerabilities their customers may be facing. However, it wouldn't be fair to have expected NatWest to do anything differently on account of Mrs T's vulnerabilities unless it was aware of this. We asked NatWest to provide all the evidence it has of Mrs T's account records and any information recorded about her vulnerabilities. This evidence shows a record of Mrs T's condition recorded on the system in October 2024. However, there is no evidence that NatWest were aware of her condition at the time she was making the transactions in dispute. So, it wouldn't be fair for me to say it should have taken them into account.

However, Mr T is not happy with how this complaint has been handled by NatWest. He says he logged a complaint with it in September 2024 and nothing was done, so he had to do this all again in October. He says this caused additional delays and stress, and further spending took place on the account in this time. NatWest refunded all the payments made to ApplePay from Mrs T's credit card from 30 September 2024 onwards on the basis that had he been able to log a complaint at this time, the further spending on the card could've been prevented. However, it doesn't have any evidence of this attempted complaint, so it hasn't awarded any further compensation.

I have considered NatWest's handling of the complaint overall, and I am not persuaded that it needs to do anything further to put things right. I say this because the evidence shows NatWest recorded the vulnerabilities relating to Mrs T on her account once the complaint

was successfully logged and they had that information. So, I don't agree that NatWest ignored what it was told about Mrs T's vulnerabilities. I can also see that NatWest was in regular communication with Mr T about the complaint and issued a relevant final response letter within a reasonable timeframe. I've also not seen anything else about NatWest's conduct which I think warrants any other compensation.

For all the reasons outlined above, I am not upholding this complaint. I do understand Mr T's difficulties, and a lot of money has been lost here, so I do have sympathy for their situation. However, I can't say that NatWest is liable to cover Mrs T's loss here as I am not persuaded it did anything wrong.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 3 October 2025.

Sienna Mahboobani
Ombudsman