

## **The complaint**

Mr L complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (“NatWest”) have declined to reimburse a payment he made as a result of an alleged scam.

## **What happened**

In February 2025, bailiffs arrived at Mr L’s property requesting repayment for a debt. The bailiffs also explained that they would be seizing Mr L’s car if he failed to pay an additional £100 directly to them. Mr L duly made the payment and his car wasn’t seized. I’ll refer to the company Mr L paid as “Company A”.

Shortly after, Mr L contacted NatWest to request reimbursement of this payment, claiming he was blackmailed into making it. At this time, NatWest declined to raise a scam claim for Mr L or reimburse the payment.

NatWest looked into the matter and declined to reimburse Mr L on the basis that it was a civil matter between him and the bailiffs. Unhappy with this response, Mr L referred his complaint to our service.

An investigator looked into Mr L’s complaint but did not uphold it on the basis that this was a civil dispute and that NatWest were not liable to reimburse him.

Mr L disagreed with the investigator’s findings and still maintained that NatWest ought to refund him on the basis that he’d been the victim of a scam.

As the case couldn’t be resolved by the investigator it has been passed to me for a 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.

Mr L has provided detailed submissions to our service in relation to this complaint. In keeping with our role as an informal dispute resolution service, I will focus here on the points I find to be material to the outcome of Mr L’s complaint. This is not meant to be a discourtesy to Mr L and I want to assure him I have considered everything he has submitted carefully.

In deciding what’s fair and reasonable in all the circumstances of a complaint, I’m required to take into account relevant: law and regulations; regulators’ rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time.

In broad terms, the starting position at law is that a bank such as NatWest is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer’s account.

Here it's not in dispute that the payment was authorised, so the starting position is that NatWest isn't liable for the transaction.

There are, however, some situations where we believe that businesses, taking into account relevant rules, codes and best practice standards, shouldn't have taken their customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

NatWest also has a duty to exercise reasonable skill and care, pay due regard to the interest of its customers and to follow good industry practice to keep customer's accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether NatWest acted fairly and reasonably in its dealings with Mr L.

### *Is Mr L entitled to a refund under reimbursement rules?*

From 7 October 2024, Payment Services Providers in the UK are bound by the Faster Payments Scheme (FPS) reimbursement rules. Under these rules, most victims of authorised push payment (APP) scams should be reimbursed.

To decide whether Lloyds should refund Miss L's payment, I've therefore considered whether this issue meets the reimbursement rules' definition of an APP scam.

The reimbursement rules define an APP scam in the following way:

*“Where a person uses a fraudulent or dishonest act or course of conduct to manipulate, deceive or persuade a consumer into transferring funds from the consumer's relevant account to a relevant account not controlled by the consumer, where:*

- The recipient is not who the consumer intended to pay, or*
- The payment is not for the purpose the consumer intended”*

The reimbursement rules also explain that private civil disputes are not covered. The rules define a private civil dispute as a *“dispute between a consumer and payee which is a private matter between them for resolution in the civil courts, rather than involving criminal fraud or dishonesty”*.

In order to reach my decision on this complaint, I've considered the purpose for which Mr L made, and Company A received, the payment. And, if there is a significant difference in these purposes, whether I can be satisfied that this difference was as a result of fraud or dishonesty.

It's clear that Mr L made the payment in order to clear a debt he was told he owed. So, I've gone on to consider what purpose Company A had in mind and whether that was in line with the purpose Mr L made the payment.

Mr L has confirmed that Company A did not remove his vehicle following the payment. Therefore, as the purpose of the payment both parties had in mind aligns, I'm not persuaded that the payment meets the reimbursement rules' definition of an APP scam.

Mr L argues that they had no legal authority or right to remove the vehicle and that he was deceived into making the payment, meaning that the purpose was not for what he intended.

But, the key point in determining whether Mr L's payment meets the definition of an APP scam is whether Company A had the intention of seizing his vehicle – and I've seen no evidence to suggest they didn't. This, then, means that the purpose both parties had in mind at the time of the payment aligned. As referenced above, this would then mean that Mr L's payment doesn't meet the reimbursement rules' definition of an APP scam.

I understand Mr L's feels that Company A were not legally entitled to remove his vehicle and that he was coerced in to making the payment. But our service hasn't received any confirmation, be it from Company A or the organisation to which Mr L's debt originated from, that Company A weren't taking action to recover a debt that was legitimately owed by Mr L or that they didn't have the relevant authority and ability to do so.

I'm also conscious that there are other criminal actions alleged to have taken place by Mr L, with a complaint being filed to the police. Mr L has also evidenced that he has complained to the council from which the debt was owed and also to the bailiffs.

Without having evidence from the parties involved in the recovery of the debt, it's difficult for me to say that Company A took payment for something they shouldn't have or that they acted incorrectly in their dealings with Mr L. I appreciate that Mr L has stated that he was placed under duress by Company A but, again, without having evidence from all parties involved it makes it difficult for me to make a finding on the events which took place that day.

Ultimately, Mr L made a payment to clear a debt that he owed and to prevent the seizure of his vehicle. Based on what I've seen, this is the same purpose Company A had in mind at the time. So, I'm not persuaded that Mr L is entitled to a refund under the reimbursement rules as I'm not persuaded that Mr L has demonstrated he has been the victim of an APP scam. I should also state that, even if Company A did take Mr L's funds without following the correct processes and having the relevant legal authority to do so, this would be a matter for him to pursue with Company A or the organisation from which the debt originated.

*Is there any other reason I could ask NatWest to refund Mr L?*

I'd expect NatWest to have systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud. And where a potential risk of financial harm is identified, to have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment.

In this case, I don't think NatWest ought to have identified a potential risk of fraud or financial harm as I don't believe it stands out as unusual or suspicious when considering its value in comparison to the other activity on Mr L's account. I'm, therefore, satisfied that NatWest shouldn't have intervened and discussed the purpose of the payment prior to releasing Mr L's funds. On that basis, I can't fairly say NatWest should've prevented Mr L's loss at the time of the payment.

I appreciate that Mr L has explained that he is vulnerable; but, as I'm not satisfied that Mr L's payment was as a result of an APP scam, I don't think NatWest are at fault by failing to take into consideration any potential vulnerabilities when considering his request for reimbursement or that they should've taken any additional steps in this instance.

*Overall*

Taking everything into account, I'm not persuaded that Mr L has fallen victim to an APP scam, based on the evidence available. Following this, I'm not persuaded that his payment is covered by the APP scam reimbursement rules, or that NatWest were incorrect in declining his request for reimbursement.

I've no doubt that this will be extremely disappointing to Mr L, given the impact this situation has had on him, but I'm unable to say that NatWest are liable to reimburse his funds.

**My final decision**

My final decision is that I do not uphold this complaint against NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 3 March 2026.

Billy Wyatt  
**Ombudsman**