

The complaint

Mr B is unhappy that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (“NatWest”) won’t reimburse him the money he sent to a third-party seller as a deposit for a caravan which he now says was a scam.

What happened

I’m not going to cover all the points raised in detail – the view of the 12 June 2025 set out the details of Mr B’s testimony. But briefly in January 2025, Mr B found a caravan for sale on an online marketplace. Mr B contacted the seller and on 16 January 2025 Mr B transferred £400 to the seller for a deposit. Delivery was agreed. Mr B says he wasn’t in at the time of delivery but when he inspected the vehicle upon his return, he described the caravan as a ‘deathtrap’ and he had to arrange for it to be taken away to a salvage yard. Mr B was unable to contact the seller as he had blocked him. Mr B noted the seller continuing to sell other caravans.

Mr B tried to raise a chargeback through NatWest. Subsequently NatWest paid Mr B £30 by way of an apology as it should have advised him in branch that the chargeback scheme only applies to card payments. It also paid him £4.50 to cover his expenses for coming into the branch. Mr B then complained to NatWest that he’d been the victim of a scam and brought his complaint to this Service.

Our investigator did not uphold the complaint. She said the caravan was delivered and it seemed there was an issue with the quality of the goods. And therefore, she felt the matter was a civil dispute which isn’t covered by the Reimbursement Rules.

Mr B remained unhappy. As the complaint could not be resolved informally 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.

I’m sorry to hear about the situation Mr B has been left in. It’s clear that Mr B feels strongly that the seller tricked him. I don’t have the power to decide any dispute between Mr B and the seller. My role is limited to looking at whether NatWest has treated Mr B fairly.

When considering what is fair and reasonable, I’m also required to take into account: relevant law and regulations; regulatory rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

Where I can’t know for certain what has happened, I need to weigh up the evidence available and make my decision on the balance of probabilities – in other words what I think is more likely than not to have happened in the circumstances.

In broad terms, the starting position in 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.

In 2024, the PSR required the Faster Payments scheme operator (PayUK) to change the Faster Payment Rules to require the firms that operate over Faster Payments to reimburse their customers sums paid as a result of APP (authorised push payment) scams (herein after referred to as the Reimbursement Rules) in certain circumstances. These Rules came into force on 7 October 2024.

In this case, I've first considered whether the Reimbursement Rules and associated guidance issued by the PSR are relevant to the payment in dispute. Where they are relevant, I must have regard to the rules and guidance, as well as considering what is fair and reasonable in all the circumstances of the complaint.

The Reimbursement Rules¹ set out the requirements for a payment to be covered and sets out the features and definition of an APP scam. The Rules specifically define an APP scam as:

"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"*

And the Rules specifically outline that private civil disputes are not covered. The term private civil dispute is defined in the Rules 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 its published policy statement PS23/3, the Payment Systems Regulator gave further guidance:

"2.6 Civil disputes do not meet our definition of an APP fraud as the customer has not been deceived [...] The law protects consumer rights when purchasing goods and services, including through the Consumer Rights Act."

2.5 provides an example of when this might apply:

"...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."

¹ <https://www.wearepay.uk/wp-content/uploads/2024/09/FPS-Reimbursement-Rules-Schedule-4-v3.0.pdf> at paragraphs 3.8-3.10

Turning to the definition of an APP scam, Mr B paid the seller and this was the person he intending to pay. So, for Mr B to have been the victim of an APP scam, I would need to be satisfied that the seller was acting fraudulently or dishonestly to deceive Mr B about the very purpose for which his payment had been procured. Here the purpose of the payment was to purchase a caravan Mr B had been offered on an online marketplace.

Mr B no longer has the advert detailing the condition of the how the caravan was advertised (although I appreciate, he had told us it was in excellent condition). And initially he told us that he no longer had any messages between him and the seller – although he has since provided some screen shots which appear to be conversations that took place after the sale. So, they don't tell me much about what was agreed in relation to the purchase and condition of the vehicle.

But Mr B received the caravan. His purpose was to buy the caravan and the seller's purpose was to sell it to him – so these do match. Mr B did receive the caravan he intended to buy; his issues instead stem from the quality of that caravan.

Overall and on balance I don't find this situation meets the definition of an APP scam as set out in the Reimbursement Rules but instead, I find this is a civil dispute not covered by the Reimbursement Rules.

As NatWest didn't need to consider this as an APP scam then it didn't need to go on to contact the recipient account provider. NatWest didn't need to intervene with the payment either.

I also note NatWest refunded Mr B £34.50 by way of an apology for not advising him straight away that the payment he made wasn't covered by the chargeback scheme - as it wasn't a card payment and to cover expenses for him to travel to the branch – which I feel is fair and reasonable in the circumstances.

Mr B has my sympathy, in that he has had issues with the caravan he received. I'm in no way saying he did anything wrong or that he doesn't have a legitimate grievance against the seller. But I can only look at NatWest's responsibilities here.

Overall, I don't think NatWest has treated Mr B unfairly when it made the decision not to reimburse Mr B. For the reasons I have explained, I'm satisfied Mr B isn't due a refund under the Reimbursement Rules nor can I see there are other grounds on which I could say that NatWest should, fairly and reasonably, bear the responsibility for Mr B's loss.

My final decision

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 B to accept or reject my decision before 8 January 2026.

Kathryn Milne
Ombudsman