

## **The complaint**

Ms R complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ('NatWest') won't refund the money she says was lost as the result of a scam.

## **What happened**

Shortly after moving into a new home in August 2025, Ms R was approached by someone claiming to work for a company that supplied surplus beds from a cancelled show home order. I'll refer to the salesperson as X.

Ms R paid £500 from her NatWest account to an individual who I'll refer to as S.

Ms R says she made the payment after the bed was carried into her home, but only because she felt intimidated by X. After X had left, Ms R tried to contact them to cancel the order and get a refund.

When Ms R couldn't get hold of X, she contacted NatWest and raised a fraud claim. NatWest declined to refund Ms R saying she has a civil dispute with X as she received the item she paid for.

Ms R wasn't happy with NatWest's response, so she brought a complaint to our service.

An investigator looked into her complaint but didn't uphold it. The investigator agreed that Ms R wasn't entitled to a refund and that the matter was a civil dispute.

Ms R disagreed with the investigator's opinion and asked for an ombudsman to review her case. She raised the following points:

- She felt threatened and was concerned for the safety of her and her children.
- X lied about the company he said he worked for, the features of the bed and that there was a one-year warranty.
- Other people have had the same problems with X and beds/mattresses they bought.

## **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.

In broad terms, the starting position at law is that NatWest are 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 Ms R made the payment. So, the starting position is that NatWest aren't liable for her loss.

The Faster Payment Scheme Reimbursement Rules ("Reimbursement Rules") came into force on 7 October 2024 and apply to all UK-based Payment Service Providers (PSPs).

They put a requirement on firms to reimburse APP scam payments made via the Faster Payments Scheme, in all but very limited circumstances.

The Reimbursement Rules set out the requirements for a payment to be covered. Of relevance here:

- It must have been made as part of an APP scam (whether to a recipient or for a purpose other than the payer intended);

An APP scam is further defined as where fraudulent deception was used to obtain the funds 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 do not apply to:

- civil disputes, such as where a consumer has paid a legitimate supplier for goods or services but has not received them, they are defective in some way, or the consumer is otherwise dissatisfied with the supplier. \*

\*there are other exceptions but they don't apply to this case.

Ms R says she was deceived as X said they worked for a company, but the payment was made to S. However, Ms R knew she was making the payment to S, so the funds were paid to the intended recipient.

Also, Ms R paid for a mattress which she received. So, the payment wasn't made for a different purpose than Ms R had intended. I realise that she isn't happy with the quality of the mattress, but the Reimbursement Rules aren't meant to cover buyer/seller disputes around the condition of the goods supplied.

Ms R says she only made the payment as she felt intimidated by X being in her home with her children. I have no doubt that Ms R may've felt pressure and that X probably used high pressure sales tactics. But I only have Ms R's testimony and her side of the story as to what happened during their interactions. And it's worth noting that X left her property to retrieve the mattress, so Ms R could view it before paying for it.

I'm sorry that the interaction made Ms R uncomfortable and that she may've felt like she was pressured into buying a mattress that she otherwise wouldn't have bought. But I'm not satisfied that this means she's entitled to a refund.

Having carefully considered the evidence, I'm not satisfied that the circumstances under which Ms R made her payment meets the definition of an APP scam. So, I can't hold NatWest liable under the Reimbursement Rules.

I have also considered whether there is any other reason that I could fairly hold NatWest liable.

There are 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.

But, based on the size of the payment, I'm not satisfied that NatWest should've identified a potential risk of harm from financial fraud. NatWest has to find a balance between identifying potentially concerning payments and intervening, while minimising disruption to genuine payments.

And, while this is a lot of money for Ms R, I'm not satisfied that a single payment of £500 was so unusual and out of character that I would've expected NatWest to have been concerned. So, I'm not persuaded that NatWest should've intervened when the payment was made, or that they could've prevented Ms R's loss.

I'm really sorry to disappoint Ms R, but I'm not satisfied that I can fairly hold NatWest liable for her loss.

### **My final decision**

My final decision is that I don't uphold this complaint against NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 24 March 2026.

Lisa Lowe  
**Ombudsman**