

The complaint

Mr H complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ('NatWest') hasn't reimbursed the money he's lost to a scam.

What happened

During 2022 and 2023, Mr H sent the payments set out in the table below from his NatWest current account to an acquaintance's accounts.

Date of payment	Amount of payment
10 January 2022	£125
17 January 2022	£200
20 January 2022	£300
24 January 2022	£285
24 January 2022	£200
24 January 2022	£450
24 January 2022	£450
24 January 2022	£425
24 January 2022	£100
24 January 2022	£240
24 January 2022	£300
28 January 2022	£550
14 February 2022	£2,500
21 February 2022	£550
4 April 2022	£420
5 April 2022	£150
29 April 2022	£320
30 May 2022	£100

9 June 2022	£150
13 June 2022	£120
13 June 2022	£30
16 June 2022	£40
17 June 2022	£55
27 June 2022	£150
27 June 2022	£80
27 June 2022	£100
13 July 2022	£220
18 July 2022	£53
22 July 2022	£200
22 July 2022	£100
25 July 2022	£112
25 July 2022	£31
25 July 2022	£68
27 July 2022	£250
1 August 2022	£17
1 August 2022	£34
5 August 2022	£75
5 August 2022	£13
8 August 2022	£63
8 August 2022	£30
8 August 2022	£250
12 August 2022	£182
15 August 2022	£40
19 August 2022	£600
19 August 2022	£100

22 August 2022	£75
22 August 2022	£130
30 August 2022	£82
30 August 2022	£82
30 August 2022	£65
16 September 2022	£160
16 September 2022	£300
21 October 2022	£361
24 October 2022	£174
2 December 2022	£138
2 December 2022	£12
5 December 2022	£20
5 December 2022	£9
27 September 2023	£75
27 September 2023	£24
18 October 2023	£200
20 October 2023	£71
13 November 2023	£150
15 November 2023	£150
15 November 2023	£150
22 November 2023	£300
4 December 2023	£220
5 December 2023	£150
11 December 2023	£300
11 December 2023	£224
11 December 2023	£76
15 December 2023	£250

18 December 2023	£80
19 December 2023	£224

Mr H has explained that his intention was to lend the money to his acquaintance, and he understood that he would be repaid in full. But he hasn't been, and he now believes he has been the victim of a scam.

Mr H would like NatWest to reimburse his financial loss. He says that the bank ought to have spotted the out of character transactions he was making and intervened to prevent the scam.

The bank has declined to reimburse Mr H as it believes this matter is a civil dispute between Mr H and his acquaintance.

Mr H referred a complaint about NatWest to this Service, which our investigator considered but didn't uphold. He thought this matter was a civil dispute, and that NatWest could not reasonably have uncovered that a scam was taking place if it had intervened.

Mr H asked for an ombudsman's final decision, so the complaint has now been passed to me to decide.

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.

It is my role to decide whether a business error has occurred here and, if it has, what NatWest should do to put Mr H back into the position he would've been in but for the business error.

In broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. When NatWest processed the disputed payments, it was complying with Mr H's instructions. Mr H wanted to send money to his acquaintance and there was no mistake made as the money went to the correct account details.

However, where the customer made a payment as a consequence of the actions of a fraudster, it may sometimes be fair and reasonable for the firm to reimburse the customer even though they authorised the payment.

NatWest signed up to the Lending Standards Board's Contingent Reimbursement Model ('CRM Code') and it was in force when the disputed payments were made. Under the CRM Code, the starting principle is that a firm should reimburse a customer who has been the victim of an Authorised Push Payment ('APP') scam. The CRM Code's definition of an APP scam is as follows:

Authorised Push Payment scam, that is, a transfer of funds executed across Faster Payments, CHAPS or an internal book transfer, authorised by a Customer in accordance with regulation 67 of the PSRs, where:

- (i) The Customer intended to transfer funds to another person, but was instead deceived into transferring the funds to a different person; or*

(ii) The Customer transferred funds to another person for what they believed were legitimate purposes but which were in fact fraudulent.

It's not in dispute that Mr H made the disputed faster payments; or that his funds were transferred to the person he intended them to reach; or that he believed he was making the payments for a legitimate purpose. I haven't seen any evidence which indicates that Mr H's and his acquaintance's purposes for the disputed payments weren't broadly aligned either, or that the acquaintance set out to deceive or trick Mr H into handing money over with no intention of repaying him as expected – in fact, the acquaintance has repaid around 40% of the debt he owed to Mr H. It isn't usual for a scammer to maintain a relationship with their victim over a prolonged period, as Mr H's acquaintance did, or for them to repay large sums of money.

I understand why Mr H feels he has been scammed if he hasn't been repaid in full, but I don't think the available evidence indicates that he's fallen victim to an APP scam, as defined in the CRM Code. So, I don't think NatWest is responsible for refunding him because of any obligation under the CRM Code.

Looking beyond the CRM Code, at a firm's responsibilities to protect customers from financial harm through fraud, I still can't find a reason to say that NatWest should be held liable for Mr H's financial loss. I say this because I don't think the disputed payments ought reasonably to have triggered NatWest's fraud detection systems at any point – most of the payments were broadly in line with the usual account activity and relatively low in value, and they were spread out over a prolonged period, during which the acquaintance would've become a 'trusted' payee.

Even if I could say there was a point at which NatWest ought to have intervened and asked Mr H some questions about the payments he was making, I don't think it's likely that the bank could've prevented his financial loss. I can see from the messages between Mr H and his acquaintance that have been shared with our Service that they'd built up a seemingly strong friendship by the time Mr H began instructing the disputed payments, and I'm aware that the acquaintance was repaying Mr H in the early stages. Additionally, I don't think that the bank could have brought the disputed payments to a halt by raising Mr H's scam awareness. I say this because, even after Mr H suspected he was being scammed and reported the matter to NatWest in January 2023, he continued to lend money to his acquaintance during the latter part of 2023. So, I don't think there's anything the bank could've done that would've had the effect of halting Mr H's payments to his acquaintance and preventing his financial loss – Mr H continued making payments despite his own suspicions that he was being scammed. I don't think it would be fair or reasonable to require NatWest to reimburse a financial loss it couldn't have prevented.

I'm really sorry to hear that this matter has left Mr H in a difficult financial situation, but I'm not satisfied that there has been a bank error in this case that led to his financial loss. So, I don't think it would be fair or reasonable to require NatWest to reimburse him.

My final decision

For the reasons I've explained, 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 H to accept or reject my decision before 24 February 2026.

Kyley Hanson
Ombudsman