

## **The complaint**

Miss S complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ("NatWest") failed to properly assist her in the recovery of funds.

## **What happened**

Miss S explained she used her NatWest account to send two payments of £500 to her parents who each had separate bank accounts. Miss S said she had several accounts saved in her banking app for her parents from different payments made over the years. She used those details to complete the payment information when asking NatWest to organise the transfers.

Both payments went to accounts that Miss S later said was incorrect. NatWest were contacted and requested the return of the funds from the receiving banks. One payment of £500 was sent back, but the other, which went to an account at a different bank (referred to her as L) was not. NatWest were told by L that the beneficiary had received the funds into their account, so wouldn't return them.

Miss S contacted L who wouldn't respond to her as she wasn't their customer. Miss S asked NatWest for assistance to obtain the account details held by L because she'd deleted them from her own account.

Miss S raised a complaint about NatWest's actions and was told by them they'd completed the necessary actions to try and return the funds. NatWest wrote to Miss S with the outcome of their complaint investigation, this letter contained information concerning one of the accounts that Miss S had sent money to.

Miss S then brought her complaint to the Financial Ombudsman Service for an independent review. An investigator was assigned to look into what had happened and both parties were asked to provide information.

Miss S explained what had happened and her attempts to get NatWest to help her recover the outstanding payment.

NatWest provided details of their recovery attempts and information about the payment. NatWest didn't think they'd acted unfairly and believed they'd done what they were required to do to try and recover the funds.

The investigator considered the evidence and thought that NatWest had acted fairly. It was commented that NatWest had attempted to recover both payments and once the recipient bank (L) advised the funds weren't being returned, NatWest had no further options to assist Miss S.

Miss S disagreed with the investigator's report and continued to argue that NatWest had failed to properly assist her and hadn't given her the necessary information to enable her to follow up the lost funds.

As no agreement could be reached, the complaint has now been passed to me for a decision. As part of my own investigation, I asked for some further information from both parties. It then became apparent that NatWest had mixed up the accounts and given Miss S the wrong details about the recovery of the funds.

NatWest confirmed that they'd put the wrong account details on their correspondence but maintained their belief that this hadn't affected their recovery efforts or Miss S's ability to follow up the lost funds.

Miss S advised that when she set up the payments, she used details previously saved on her account, believing that she was sending money to a NatWest account registered to her mother. She doesn't know where the account details for the payment to L came from and confirmed her mother has never had an account with L.

I issued my provisional findings on the merits of Miss S's complaint on 8 September 2025. In my provisional findings, I explained why I intended to uphold Miss S's complaint and offered both sides the opportunity to submit further evidence or arguments in response. An extract of that decision is set out below and forms part of this final decision:

*"What I've provisionally 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.*

*When the payments were set up by Miss S, she used saved details on her banking app. It later turned out that both sets of details were wrong – one of the accounts was closed and the other was sent to a different bank (L). In such circumstances, there's a process to be followed.*

*This is contained (amongst other guidance) within the Payment Service Regulations 2017 (PSRs) and S 90 says:*

*Incorrect unique identifiers  
90.—*

*(1) Where a payment order is executed in accordance with the unique identifier, the payment order is deemed to have been correctly executed by each payment service provider involved in executing the payment order with respect to the payee specified by the unique identifier.*

*(2) Where the unique identifier provided by the payment service user is incorrect, the payment service provider is not liable under regulation 91 or 92 for non-execution or defective execution of the payment transaction, but the payment service provider—*

*(a) must make reasonable efforts to recover the funds involved in the payment transaction; and*

*(b) may, if agreed in the framework contract, charge the payment service user for any such recovery.*

*(3) The payee's payment service provider must co-operate with the payer's payment service provider in its efforts to recover the funds, in particular by providing to the payer's payment service provider all relevant information for the collection of funds.*

*(4) If the payer's payment service provider is unable to recover the funds it must, on*

*receipt of a written request, provide to the payer all available relevant information in order for the payer to claim repayment of the funds.*

*I'm satisfied that NatWest acted appropriately to attempt the recovery (2 (a) refers) by asking both recipient banks to send the money back. One set of payments was returned, but the account with L declined to send the funds back.*

*Miss S explained her mother never had an account with L and she doesn't know how those details were used to make the payment. The funds were supposed to go to a different account – therefore the payment details are incorrect by virtue of a mistake.*

*Whilst NatWest can't force L to return the payment in this situation, they are required to assist their customer (Miss S) with additional requests to L - section (4) refers. This is so Miss S can approach the account holder and attempt to recover the funds which she believes they have no right to retain.*

*Miss S wrote to NatWest to ask them provide information about the account with L, but it appears that NatWest haven't yet done so.*

*So, my current thoughts here are that NatWest have caused a delay to the recovery attempts by not providing information requested by Miss S and they caused unnecessary confusion when they mixed up the relevant accounts in respect of the recovery.*

*I intend to require NatWest to pay redress for the unnecessary stress and inconvenience the impact of their actions have caused to Miss S and I think that £100 is an appropriate amount to recognise this. Additionally, I'm intending to require NatWest to act on Miss S's request for information about the account held with L. NatWest will be required to follow the relevant regulations to assist Miss S with recovery efforts.*

*My provisional decision*

*I'm currently intending to uphold this complaint in respect of NatWest's handling of it, and require them to:*

- Pay Miss S £100 redress.*
- Assist Miss S in line with S 90 (4) of the Payment Service Regulations 2017."*

*I invited Miss S and NatWest to give me any more evidence and information they wanted me to consider before issuing my final decision. NatWest didn't respond and Miss S accepted my provisional 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'd just like to pass on my thanks for the continued patience whilst I've finalised this complaint. Having done so, and as neither party had anything further to add, I see no reason to reach a different conclusion. So, this final decision confirms the findings set out in my provisional decision.*

### **My final decision**

My final decision is that I uphold this complaint and in order to settle it, NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY are now required to:

- Pay Miss S £100 redress.
- Assist Miss S in line with S 90 (4) of the Payment Service Regulations 2017.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 17 November 2025.

David Perry  
**Ombudsman**