

The complaint

Mr L complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY won't refund money he lost to a scam.

What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

In December 2025 Mr L fell victim to a scam. He received an email from a person impersonating his company director, asking Mr L to purchase gift cards as part of a staff incentive. Under the belief the email received was genuine, Mr L made a £1,000 debit card payment at a well-known high-street store (that I'll refer to as 'W') for four £250 gift cards. Mr L then provided the gift card details to the scammer.

Mr L realised he'd been scammed when he received proof of reimbursement from the scammer and it didn't look genuine. He then reported the matter to NatWest and raised a complaint, but it was rejected.

The complaint was referred to the Financial Ombudsman. Our Investigator didn't think NatWest was responsible for Mr L's loss. She didn't think the payment presented a heightened risk of financial harm from fraud that warranted NatWest carrying out additional checks before processing it. Nor did she think NatWest could've done anything to recover Mr L's loss.

Mr L disagreed and so, the matter has 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.

I'm sorry Mr L has been the victim of a scam. I realise this is a lot of money to Mr L and so, I understand why he'd do everything he can to try and recover it. But I must consider if NatWest are responsible for Mr L's loss. At which point, I should explain that while there are certain obligations on banks to protect consumers and prevent losses to scams in certain circumstances, these are not absolute. And so, there are unfortunately occasions where a consumer will lose out but have no recourse to a refund. Having carefully considered what happened here, and while I know this won't be the outcome Mr L is hoping for, I don't think NatWest is responsible for his loss. I therefore don't think NatWest have acted unfairly by not refunding the payment. I'll explain why.

This payment isn't covered by the Payment Systems Regulator's mandatory reimbursement scheme – as it doesn't include debit card transactions. I've therefore considered whether NatWest should reimburse Mr L under any of their other obligations.

It isn't disputed that Mr L authorised the payment from his NatWest account. Generally, consumers are liable for payments they authorise and NatWest are also expected to process authorised payment instructions without undue delay. However, taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, including the Consumer Duty, there are circumstances where it might be appropriate for NatWest to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

I've considered whether the instruction given by Mr L to NatWest was unusual enough to have expected additional checks to be carried out before the payment was processed. When considering this, I've kept in mind that banks process high volumes of transactions each day. And that there is a balance for NatWest to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate – as it wouldn't be practical for banks to carry out additional checks before processing every payment.

Mr L typically used his account for low value day to day transactions but also made the occasional higher value payment. This payment, therefore, while more than what Mr L typically used his account for, wouldn't have been seen by NatWest as being unusual or out of character for him. And while not an insignificant amount, it is still relatively low value. It's also common for customers to make higher value payments on their account at times – which, as I've said, Mr L did. So, I don't think the payment would've been seen as particularly high risk based on its value alone.

Mr L has however, rightly, pointed out that the value of the payment shouldn't be the only consideration as to whether NatWest ought to have flagged it for additional checks. But here, the payment was going to a well-known, and legitimate, high-street merchant – and the vast majority of transactions to W will be for genuine purposes. And while W typically specialises in groceries, they, alongside their partner firm, also offer a wide range of other products – including higher value items. So, I don't think a £1,000 payment to W would've been seen as particularly unusual or high-risk.

Nor would NatWest have known, from the payment information available to them, that the items being purchased were four £250 gifts cards. And so, while gifts cards can be used by scammers as a way of obtaining money from their victims, NatWest couldn't reasonably have known this. Furthermore, as there was only a single transaction here, there wasn't a 'pattern' of payment activity indicative of potential fraud – such as multiple payments made in rapid succession, or incrementally increasing in value.

It follows that I'm not persuaded the payment presented a heightened risk of financial harm from fraud. And so, I think it was reasonable for NatWest to consider the payment was being made for legitimate purposes. Because of this, I think it was reasonable for NatWest to process the payment upon receiving Mr L's instruction.

I've also considered whether, on being alerted to the scam, NatWest could reasonably have done anything to recover Mr L's losses, but I don't think they could. This is because the only option of recovery for the debit card payment would've been via chargeback. But this didn't have any reasonable prospect of success as W had provided the goods Mr L paid for – that being the four gift cards. And so, W would've likely been able to defend a chargeback claim raised against them.

I have a great deal of sympathy for Mr L as he is the innocent victim of a scam. I appreciate he was manipulated by the scammer and genuinely believed he was following the instructions of his company director. I'm not trying to place any blame on him for what

happened. But it would only be fair for me to direct NatWest to refund his loss if I thought they were responsible – and I'm not persuaded that this was the case. For the above reasons, I think NatWest has acted fairly and so I'm not going to tell them to do anything further.

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 L to accept or reject my decision before 13 March 2026.

Daniel O'Dell
Ombudsman