

## The complaint

Ms B complains that National Westminster Bank Public Limited Company (NatWest) won't refund money she lost to an impersonation scam.

## What happened

Ms B has limited recollection of events and the following appears to have occurred on 6 January 2026:

- Ms B received a call from a person (a scammer) who pretended to be a representative of Company A (a large online retailer).
- The scammer asked her if she was making purchases from Company A. When Ms B said she wasn't, they told her to check her basket and, upon doing so, she saw goods to the value of £8,000.
- When Ms B saw the basket containing mobile phones and gift cards she panicked and listened to the scammer as she believed they were a genuine Company A representative trying to help her.
- It isn't clear what the scammer said to Ms B but they appear to have persuaded her to:
  - Download software so they could see her device.
  - Let them help her clear her Company A and, by moving her money, protect her bank accounts – including her NatWest account.
  - Open accounts with legitimate international payment firms – Firm L and Firm W – and then transfer funds via her NatWest card.

Ms B authorised the following four payments from her NatWest account:

Payment Number	Date	Time	Payment Type	Payee	Amount
1	06/01/2026	11:04	Card	Ms B's account with Firm L	£999
2	06/01/2026	11:15	Card	Ms B's account with Firm L	£200
3	06/01/2026	11:47	Card	Ms B's account with Firm W	£490
4	06/01/2026	11:52	Card	Ms B's account with Firm W	£500
Total					£2,189

Soon after the payments were made, Ms B realised she'd been scammed.

Ms B contacted NatWest to claim a refund but they said she didn't qualify for a reimbursement and signposted her to Firms L and W.

Ms B complained to NatWest but they couldn't see that they'd made any errors in not intervening and in signposting her to Firms L and W, However, they did apologise for failing

to note her initial claim conversation and, recognising that this may have caused some additional inconvenience and distress, they paid her £50 compensation.

Ms B was dissatisfied and she brought her complaint to our service. But our investigator didn't think there were sufficient grounds for NatWest to consider that Ms B was at risk of financial harm from fraud when she made the payments. He also couldn't see that there were any material service errors.

Ms B remains dissatisfied and her points, when asking for an Ombudsman to review her complaint, included the following:

- Insufficient weight has been given to the pattern and velocity of the transactions.
- Her account is primarily used for small travel-related purposes.

### **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.

Having done so, although I'm very sorry to hear that Ms B has been the victim of this very cruel impersonation scam and lost an amount of money that is significant to her, I'm not upholding this complaint. And I'll explain why.

I should first say that:

- I'm satisfied that the APP Scam Reimbursement Rules, introduced by the Payment Systems Regulator in October 2024, for customers who have fallen victim to an APP scam, don't apply to payments made by card or to other accounts in a customer's name.
- With regards to recovery, Ms B's funds were sent to the scammers via international payment companies. So, the funds would've been immediately taken by the recipient and chargebacks wouldn't have been possible as Companies L and W provided the requested service.
- The Payment Services Regulations 2017 (PSR) and Consumer Duty are relevant here.

#### **PSR**

Under the PSR and in accordance with general banking terms and conditions, banks should execute an authorised payment instruction without undue delay. The starting position is that liability for an authorised payment rests with the payer, even where they are duped into making that payment.

There's no dispute that Ms B made the payments here, so they are considered authorised. However, in accordance with the law, regulations and good industry practice, a bank should be on the look-out for and protect its customers against the risk of fraud and scams so far as is reasonably possible. If it fails to act on information which ought reasonably to alert a prudent banker to potential fraud or financial crime, it might be liable for losses incurred by its customer as a result.

Banks do have to strike a balance between the extent to which they intervene in payments to try and prevent fraud and/or financial harm, against the risk of unnecessarily inconveniencing or delaying legitimate transactions.

So, I consider NatWest should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks such as anti-money laundering and preventing fraud and scams.

- Have systems in place to look for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks and building societies are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or make additional checks, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.

### Consumer Duty

Also, from July 2023, NatWest had to comply with the Financial Conduct Authority's Consumer Duty which required financial services firms to act to deliver good outcomes for their customers. Whilst the Consumer Duty does not mean that customers will always be protected from bad outcomes, NatWest was required to act to avoid foreseeable harm by, for example, operating adequate systems to detect and prevent fraud. Also, look out for any signs of vulnerability.

With the above in mind, I looked closely at the four payments of £999.00, £200.00, £490.00 and £500.00, together with file submissions which included Ms B's statements.

Having done so, I don't think it would've been reasonable to have expected NatWest to have triggered any card blocks and / or interventions. I say this because:

- NatWest didn't have any information on any known vulnerabilities.
- Banks including NatWest process thousands of payments each day and they can't be expected to intervene on all of them.
- As mentioned above, banks have to carefully weigh up when to intervene as, in addition to their responsibility to protect their customers from fraud and scams, they have a responsibility not to delay legitimate transactions and cause unnecessary inconvenience.
- Although I appreciate the four payments were large amounts to Ms B, individually and collectively they were relatively low amounts for a bank to intervene on.
- The payments didn't escalate in size so there was no obvious scam pattern.
- Although Ms B's regular payments were low, this wasn't her everyday account and in such circumstances customers can hold a balance for specific payments.
- It isn't common for customers to use Firm L and Firm W, who are well-known payment service providers. Also, NatWest could have some level of comfort in regulated firms being able to monitor accounts with additional / better information on where the payments were going.

Regarding the service Ms B received, whilst I fully understand her distress, I wouldn't expect NatWest to pay any additional compensation. I say this because Ms B's distress was caused by the cruel scammer and as NatWest couldn't provide her with a refund, they didn't make an error signposting her to Firms L and W. Also, whilst the first agent she spoke to should've added system notes, it wasn't that they gave Ms B incorrect information. So, although I can understand Ms B being distressed at explaining events again and receiving £50 compensation, I don't think this was an unfair amount to offer her.

I'm very sorry to disappoint Ms B but having considered the above and all the information on file, I'm not persuaded that NatWest should've recognised she was at risk of financial harm and put in place any interventions. Also, I think their resolution for a service error was fair and reasonable.

**My final decision**

For the reasons mentioned above, my final decision is not to uphold this complaint against National Westminster Bank Public Limited Company.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 19 May 2026.

Paul Douglas  
**Ombudsman**