

The complaint

Ms T complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY won't refund the money she lost when she was the victim of what she feels was a scam.

What happened

In October 2023, Ms T was looking to purchase a kitten and contacted a seller who was listing one for sale. They agreed for Ms T to purchase the kitten and she made a payment of £200 from her NatWest account as a deposit. But Ms T then had second thoughts about it and, after some correspondence, the sale wasn't completed. Sometime later, Ms T then reported the payment to NatWest as a scam and asked it to refund the money she had lost.

NatWest investigated but said it felt this was a civil dispute between Ms T and the seller, rather than a scam. So it didn't agree to refund the payment she had made. Ms T wasn't satisfied with NatWest's response, so referred a complaint to our service.

One of our investigators looked at the complaint. They didn't think there was sufficient evidence to say a scam has taken place, so thought NatWest had acted reasonably in not agreeing to refund the payment. Ms T disagreed with our investigator, so the complaint has been passed to me.

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 a firm is expected to process payments and withdrawals that a customer authorises it to make. However, where the customer made the payments as a consequence of the actions of a fraudster, it may sometimes be fair and reasonable for the bank to reimburse the customer even though they authorised the payments.

At the time of the payment, NatWest was a signatory of the Lending Standards Boards Contingent Reimbursement Model (the CRM code). This required firms to reimburse customers who had been the victim of certain types of scams, in all but a limited number of circumstances. But customers were only covered by the code where they had been the victim of a scam – as defined in the code.

The relevant definition of a scam from the CRM code is that the customer transferred funds to another person for what they believed were legitimate purposes but were in fact fraudulent.

The CRM code also says it doesn't apply to private civil disputes, such as where a customer has paid a legitimate supplier for goods or services but has not received them, they are defective in some way, or the customer is otherwise dissatisfied with the supplier.

So in order to determine whether Mrs B has been the victim of a scam as defined in the CRM code I need to consider whether the purpose she intended for the payment was legitimate, whether the purposes she and the seller intended were broadly aligned and then, if they weren't, whether this was the result of dishonest deception on the part of the seller.

I've thought very carefully about this, and I think it's a finely balanced matter in this case. But where the evidence available is unclear or inconclusive, I must make my decision on what I think is more likely to have happened, based on the evidence I do have.

I'm satisfied Ms T made the payment here for the purpose of purchasing a kitten. And I haven't seen anything to suggest she didn't think this was legitimate. But I'm not satisfied the evidence I've seen shows that the seller intended a different purpose for the payment, or that Ms T's and the seller's purposes for the payment weren't broadly aligned.

I've seen evidence that the seller is licensed to sell animals as pets by the relevant local council and is listed as a licensed breeder of kittens by a well-known pet website. And I think this suggests the seller is a legitimate seller of animals.

The bank the payment was sent to has also told us they haven't received any other scam reports against the account. But scammers usually target a number of people at once, in order to make as much money as possible before the scam is uncovered. So I'd expect to see other scam reports against the same account around the same time if the seller was operating a scam.

I've also seen evidence relating to the account the payment was made to, and while I can't share any details of this evidence, I think it shows the account appears to have been run at the time as I would expect a legitimate businesses account to have been run and doesn't suggest it was being used to operate a scam.

From what I've seen of Ms T's communication with the seller, she initially says she cannot take the kitten and agrees for the seller to keep the deposit. And while she appears to change her mind and asks about the kitten again a few days later, the seller says they have been sold to someone else at that point. So I don't think this supports that the seller never intended to complete the sale of the kitten or was operating a scam.

I appreciate Ms T has said she was told the kitten she was buying was 'show worthy' but that she now believes the seller knew the kitten did not meet this standard. But I've not seen anything to definitively show that the kitten was not 'show worthy' or that the seller was aware of this. So I think this more closely resembles a dispute about the quality of goods or services provided which, as I explained above, is specifically excluded from the definition of a scam under the CRM code.

So I'm not persuaded that the available evidence is sufficient to safely conclude that the purpose the seller intended for this payment was different than the purpose Ms T intended. I think it's likely both Ms T's and the seller's intended purpose for the payment was the same – to pay for the purchase of a kitten – but that other factors ultimately meant the sale wasn't completed.

And so I think NatWest has acted reasonably in saying the circumstances here don't meet the definition of a scam from the CRM code, and in not agreeing to refund this payment as a result.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 22 May 2026.

Alan Millward
Ombudsman