

The complaint

Mr O complains about National Westminster Bank Public Limited Company (NatWest).

He says that he has been the victim of a scam and would like NatWest to refund him the money he has lost.

What happened

Between August and September 2024, Mr O lent an acquaintance a total of £3,080 – but to date he has not been repaid his money despite assurances that he would be.

Mr O now considered that he has been the victim of a scam and would like NatWest to refund him. NatWest declined to reimburse Mr O because it believes that this is a civil matter between Mr O and his acquaintance.

Mr O then brought this complaint to this Service and it was considered by our Investigator – but they didn't recommend that the complaint be upheld.

Mr O asked for an Ombudsman to make a final decision, 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.

Having done so, I have decided not to uphold this complaint. I know this will be disappointing for Mr O, he has been deprived of his funds, and I can understand why he would want to try and recoup them from his bank. But I can't fairly say that NatWest needs to refund him. I'll explain why.

In broad terms, the starting position in law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. However, when the customer made the payment 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 payment.

NatWest was a signatory of the Lending Standards Board's Contingent Reimbursement Model (the CRM Code) which took effect on 28 May 2019 until it was retired on 7 October 2024.

The Code required firms to reimburse customers who had been the victims of certain types of scams, in all but a limited number of circumstances. But customers are only covered by the CRM Code where they have been the victim of an authorised push payment (APP) scam – as defined within the CRM Code.

DS2(2)(b) of the CRM Code says it doesn't apply to:

“private civil disputes, such as where a Customer has paid a legitimate supplier for goods, services or digital content but has not received them, they are defective in some way, or the Customer is otherwise dissatisfied with the supplier”

I understand that Mr O feels that he has been scammed by the acquaintance as he hasn't been repaid as expected. He also says that the purpose he thought the loan was for was fabricated as he thought he was assisting with a property purchase. He says that the documents he was shown were faked, and so he has been scammed.

I am unable to say if the documents Mr O was presented with were false – so I can't say that Mr O was deceived about the true nature of the payments and intended to scam him from the start. Therefore, all I am able to say is that Mr O lent someone money, but it hasn't been repaid.

I have also considered if there was any reason NatWest should have prevented the payment in the first place by intervening in the payment at the time it was made – but I don't think the payment was at a level where NatWest would have been concerned enough to have intervened as it was in line with Mr O's usual spending.

I know this will be disappointing for Mr O, and I am very sorry he is without his money – but this isn't something I can say is a scam – it is a civil dispute between Mr O and the person he lent the money to, and so I can't fairly say that NatWest should repay him under the CRM code or otherwise.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 15 May 2026.

Claire Pugh
Ombudsman