

## **complaint**

Mr M complains that National Westminster Bank Plc did not do enough to protect him from fraud on his account and provided poor customer service.

## **background**

Mr M was the victim of an 'account take over'. A fraudster managed to obtain sufficient personal details to order new debit cards and make transactions on all his accounts. About £40,000- including additional credit card borrowing- was involved. All of the money has been refunded to Mr M and NatWest has offered to pay him £450 for the poor service it accepts he received.

The adjudicator did not recommend that it did any more. He said that:

- This service would not be able to investigate the circumstances leading to the fraud any further.
- NatWest had said it had provided all the information about calls it had following a Subject Access Request made by Mr M and we would trust that as correct.
- He would check why Mr M was continuing to receive credit card statements as he had been told his account was closed.
- NatWest had refunded all the money paid out by the fraudster.
- The root cause of what happened, and of the related distress to Mr M, was the actions of the fraudster.
- He thought that the compensation offered was reasonable.
- As Mr M was concerned about future fraud he might want to consider setting up a protective registration on a national fraud database.

Mr M did not agree and said, in summary, that NatWest could have identified the fraud earlier and taken actions to stop it. So he holds it responsible for a greater level of distress and believes he should receive compensation of £1,500 to £2,000. He said that NatWest did not keep his money and identification secure. Even when he reported the fraud it failed to stop transactions and keep the block on his accounts. He believes NatWest has not been transparent in telling him everything that happened.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I have read Mr M's letters and recent comments in detail. So I am clear about the strength of his feelings having been the victim of an extensive fraud. I can understand why he wants to examine in detail everything that happened especially as he was very alert to the fraud as it happened.

I'm afraid that even if NatWest was able to say more about how the fraudster operated I wouldn't expect it to put this in the public domain. That might help future fraudsters. And I'm not sure we'd ever know exactly how someone obtained sufficient (even if incomplete) information to allow the impersonation of Mr M.

This service does not regulate NatWest so I can't look at its general internal procedures and processes. What I have done is look at the contact it had with Mr M. I can see in particular that when he received a text alert about a new card he called and said he did not order it.

When he went to a branch on the afternoon of 3 December 2015 to report the fraud it took over two hours to block his accounts. And during that period he and branch staff could see further fraudulent payments being made. But he left thinking all his accounts were blocked only to find out a week later that the fraudster had been able to unblock his credit card account, increase the limit and spend about £18,000. None of this is disputed by NatWest. And I think now with the benefit of hindsight it's seen where things could have been done differently or more quickly for Mr M. It accepts it did not communicate as effectively as it could have with him.

NatWest has never questioned the fraud claim- Mr M received a refund of most of the money from his bank accounts the next day- although one payment took longer. And I think the problems in making payments himself were the inevitable result of the fraud itself when his accounts were blocked.

I've taken all these points into account in assessing the amount of compensation. Having done so I know I'm going to disappoint Mr M when I say that the offer is reasonable. I think this fairly represents the distress and inconvenience caused by NatWest here.

### **my final decision**

My decision is that National Westminster Bank Plc should pay Mr M £450 as it has already offered to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 20 June 2016.

Michael Crewe  
**ombudsman**