

The complaint

Mr B complains about National Westminster Bank Plc's ('NatWest') handling of a fraud claim on his account.

What happened

In March and April 2023, three debit card payments were made from his account to a company I'll refer to as G. These payments were for £200, £122.30 and £94.89. Mr B didn't authorise or make these payments and reported them to NatWest as fraudulent.

As a result, NatWest refunded Mr B for all three of the fraudulent transactions, but they accidentally refunded him twice for the first payment. This meant Mr B received an additional £200 credit to his account.

Mr B wasn't happy with NatWest's handling of his fraud claims and raised a complaint. In response, NatWest apologised for the poor level of service Mr B had received and agreed to not take back the additional £200 he'd been paid in error. They also made a further payment of £100 compensation for the distress Mr B had experienced.

Mr B wasn't happy with NatWest's response, so he brought a complaint to our service. As part of his complaint, Mr B raised the following concerns:

- He found it difficult to report the fraudulent transactions to NatWest and had to chase them to get updates. Also, he didn't receive an acknowledgement after he'd completed the online retail dispute forms.
- NatWest should have a fraud team available 24/7, it's not acceptable for customers to not be able to talk to the fraud team when the fraud happens.
- NatWest should've prevented the second and third payments from being taken by G, when they cancelled his debit card after the first payment was reported. He doesn't understand how they allowed two further payments to be taken from his account.
- NatWest told him to call G but didn't provide him with any contact information. G is a major company who doesn't have a phone number, so he couldn't call them to report the fraud as NatWest suggested.
- He was left with only a few pounds in his account as a result of the fraudulent transactions and was unable to pay bills or buy food for three days. But NatWest didn't do anything to help him, and he had to rely on friends and family which was embarrassing.
- Multiple calls he had with NatWest were disconnected and resulted in him having to call back.
- All of the fraudulent transactions should've been flagged by NatWest and not allowed to go through in the first place, as he hadn't made any genuine payments to G since 2017.
- NatWest made numerous mistakes and errors, including making several debits and

credits to his account in relation to the first fraudulent transaction he reported. This was confusing.

- He was already struggling with poor mental and physical health which NatWest were aware of, and NatWest's errors and mistakes added to the stress he was already facing.

An investigator looked into Mr B's complaint and didn't uphold it, saying that the £300 Mr B had already received was fair for the poor service he'd received.

Mr B asked for his complaint to be reviewed by an ombudsman, raising the following points:

- The investigator had highlighted some serious failures by NatWest and their handling of the situation but felt the £300 was fair – Mr B disagreed.
- Mr B was already struggling with his mental health and this whole ordeal set back his recovery and added to the stress he was already facing.
- NatWest failed to protect Mr B's money or his well-being.
- The payments should've been flagged by NatWest and not allowed to go through in the first place.
- It's not clear why NatWest failed to stop/block further transactions by G, after he was told they would be blocked.
- While he had benefited from the additional £200 that was paid to his account, this wasn't something he wanted or intended. He just expected NatWest to handle his fraud case with more consideration to the facts and in a more swift and efficient way.

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 carefully considered all of the points that Mr B has raised, I've reached the same conclusion as the investigator and won't be asking NatWest to pay Mr B anything further. I'll explain why.

Mr B is unhappy with the availability of NatWest's fraud team and their process for customers wanting to raise fraud claims. Our service is unable to comment on or make recommendations to businesses around their processes, operations or procedures. This falls within the remit of the Financial Conduct Authority (FCA), not our service. However, I can consider the impact that they may have on a customer.

In this case, Mr B wanted to raise his fraud claim by talking to NatWest's fraud team, but they weren't available when he called. So, Mr B was asked to complete an online form which is used for retail disputes, which is what his claim related to. I appreciate that this wasn't the way Mr B wanted to report the fraud, however he wasn't prevented from making the claim and the completed form was sent to the relevant fraud team for investigation.

Mr B is concerned that despite cancelling his debit card after the first fraudulent transaction, G was able to take another two payments. In their response to Mr B, NatWest explained that Mastercard and Visa offer a service where they provide certain retailers with up-to-date card details – to ensure no disruption to subscriptions or monthly payments. This is a facility put in place by Mastercard and Visa, not by NatWest. So, while NatWest had cancelled Mr B's

debit card after the first payment, the new card details were given to G under the Mastercard/Visa arrangement which enabled G to take a further two payments. In order to prevent this NatWest told Mr B to contact G so that they could cancel the subscription/agreement and prevent further payments being taken.

I understand Mr B's frustration to not be given a phone number for G, as they are a large company with a predominantly online presence. So, Mr B couldn't find a phone number online to report the fraud which was frustrating. However, NatWest don't have a contact phone number for G, and I can't fairly say that they were required to have one or provide one to Mr B – although I appreciate that it would've been helpful. From what I've seen, NatWest took the appropriate steps on being notified of the fraud by cancelling Mr B's card and recommending that he contact G.

Mr B feels that NatWest shouldn't have allowed the transactions to G to go through in the first place, highlighting that he hadn't made a payment to G in a number of years. However, based on the size of the payments, I wouldn't have expected NatWest to have flagged them as suspicious or to have prevented them from going through. A balance has to be struck between NatWest identifying potentially concerning payments and minimising disruption to legitimate payments. The fact that Mr B hadn't made a payment to G for a significant period of time, by itself, isn't enough to put NatWest on notice that the payments taken from Mr B's account may've been fraudulent. So I can't agree that NatWest should've been concerned or blocked the payments when they were made.

NatWest has accepted that they made some mistakes, and that Mr B didn't receive the level of service that he should've. I can see that they incorrectly raised a second fraud claim in relation to the first payment Mr B made. Ultimately, there ended up being seven payments (debits and credits) made to Mr B's account for £200, which resulted in him being refunded an additional £200 in error. NatWest have also agreed that several calls Mr B made to them were disconnected in error.

Having listened to the calls Mr B had with NatWest, I think NatWest should've been more responsive to Mr B when he told them of his short-term financial difficulty due to the fraudulent transactions leaving his account. I can't see that they offered any possible solutions or sign posted him to any charities or organisations that might've been able to help. Overall, I agree that NatWest has made some mistakes and that Mr B didn't receive the level of customer service that he should've from NatWest.

I'm sorry to hear about the poor health Mr B has experienced, and the impact the fraudulent transactions had on his health. I accept that the mistakes made by NatWest added to the distress Mr B experienced as a victim of fraud, however the awards we make are modest and I can't make an award against NatWest for the distress caused by someone fraudulently taking money from Mr B's account.

NatWest left the additional refund of £200 in Mr B's account and paid him another £100 in compensation. So, in total he's received £300 compensation. Having carefully considered everything Mr B has told us, I'm satisfied that the £300 already paid by NatWest is in line with what I would've recommended they pay in these circumstances. I realise that Mr B received the additional £200 credit due to NatWest accidentally over crediting his account, but they were entitled to ask for that money to be returned, so it's only fair that I take that into consideration when deciding the overall award. On that basis, I won't be asking NatWest to pay Mr B anything further.

My final decision

My final decision is that I don't uphold this complaint against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 27 November 2023.

Lisa Lowe
Ombudsman