

The complaint

Miss D complains about the actions of National Westminster Bank Plc when she was tricked into making payments on her debit card as a result of a scam.

What happened

In April 2023 Miss D came into contact with a merchant and was invited to join an investment group on a messaging platform. In total she made various debit card payments totalling around £2,500 but received around £440 in credits back into her account. So, her total loss is around £2,000.

After she wasn't able to withdraw the majority of her profits from the merchant's website Miss D became suspicious and raised a claim with NatWest. But NatWest said it wasn't going to offer a refund to her. So, Miss D brought her complaint to this service. She said the payments should've been stopped and that she was vulnerable at the time due to her personal circumstances.

Our investigator didn't think the complaint should be upheld. He said that the payments Miss D made weren't sufficiently unusual for NatWest to have intervened. And because they were sent to accounts in her own name at crypto exchanges the money couldn't be recovered via a chargeback. He added that as NatWest wasn't aware of Miss D's personal circumstances at the time of the payments then he couldn't fairly expect it to do more.

Miss D disagreed and has asked for an Ombudsman's decision. She said the payments were unusual and NatWest should've done more to stop and then warn her about these types of payments. If it had then the scam would've been stopped.

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've reached the same conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Miss D has been the victim of a cruel scam. I know she feels strongly about this complaint, and this will come as a disappointment to her, so I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

I've firstly considered whether NatWest should've done more to stop all the payments Miss D made towards this scam. It is common ground that Miss D authorised the scam payments with a total loss of around £2,000. I accept that these were authorised payments even though Miss D was the victim of a scam. So, although it wasn't her intention to pay money to

the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of her account, Miss D is presumed liable for the loss in the first instance.

However, taking into account the law, regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for NatWest to take additional steps or make additional checks before processing a payment in order to help protect customers from the possibility of financial harm from fraud.

So, I have looked into what this means for this case and whether NatWest should have done more here to prevent the payments in dispute.

Here, Miss D sent various payments over a matter of weeks to various merchants via accounts held in her name with legitimate cryptocurrency exchanges. The payments were for relatively small amounts, ranging from £300 to £700. I can see from her statements that she had made larger payments in the past ranging from £291 and £1,650. And because the payments were made over a period of time, they created a pattern of spending on Miss D's account that wouldn't have seemed unusual. So, I don't think the payments were so unusual that NatWest should've stopped them and asked further questions of Miss D. Because of this, I don't think NatWest missed an opportunity to prevent the fraud from taking place.

And because the payments were sent to accounts in her own name a chargeback couldn't be raised by NatWest here. As a result, NatWest didn't treat Miss D unfairly by not raising a chargeback.

I note Miss D has mentioned her personal circumstances and health made her vulnerable at the time. I appreciate Miss D was going through a difficult period with her health. However, I've not seen any evidence that NatWest was aware of this at the time of the scam and should've therefore acted differently.

I'm sorry to hear Miss D has been a victim in this way, but I don't think NatWest are responsible for her loss and so I can't fairly ask them to do more.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 22 December 2023.

Mark Dobson
Ombudsman