

The complaint

Mr W complains National Westminster Bank Plc (“NatWest”):

- Made it onerous for him to speak to the team which deals with reasonable adjustments and vulnerable customers when he wanted to make a payment in December 2022 to his overseas supplier
- Won't refund two transactions made from his account which he didn't authorise
- Has discriminated against him by not making reasonable adjustments, especially in relation to first de-registering his online banking service (“OLB”), and the poor timeliness and manner in reinstating it

To put things right, Mr W wants compensation for the distress and inconvenience he's suffered, his unauthorised payments refunded, and his banking to be made accessible given his disabilities.

What happened

In February 2023, Mr W wanted to make a payment using his OLB, or through telephone banking, to an overseas supplier for goods related to his business for around £5,600. He was told it couldn't be sent in one payment due to NatWest's account payment limits. Mr W said he couldn't use his OLB due to his disability. NatWest told Mr W he should go into a branch to do this.

A few days later Mr W complained about this, and NatWest suggested it could send the payment by splitting it into two. Mr W declined. Mr W then spoke to a member of NatWest's retail vulnerable customer team who made an exception and processed the international payment in whole.

Mr W feels he should have been given the number for the vulnerable customer team when he first raised the issue on 2 February 2023 – about six days earlier.

Mr W called NatWest on 28 February 2023 to report an unauthorised payment of £466 that had been made from his account. NatWest said it would investigate his claim. The payment was made from Mr W's mobile device, so as a security measure NatWest deactivated and thereby unregistered his online banking (“OLB”) access.

Mr W wanted to make a payment to his supplier overseas which he says was the second and final instalment to fulfil his order and receive the goods he'd ordered. As Mr W's OLB access had been deregistered, he wasn't able to do this over the phone nor online. Mr W then spoke to NatWest several times to complain about it deactivating a service he needed due to his accessibility needs.

Mr W wanted the OLB reinstated immediately, but this was proving to be difficult as NatWest needed to send him an activation code by post. Mr W couldn't do this as he didn't have access to postal services due to the construction of his new correspondence address. So

Mr W wanted NatWest to reinstate his OLB electronically, or through him using SMS on his mobile phone.

NatWest say it reinstated Mr W's OLB the same day – 28 February 2023. Mr W says it took around six weeks for NatWest to do so. Which, given his banking needs and vulnerabilities, is grossly unfair and a serious failing on NatWest's part.

Mr W complained to NatWest, and it upheld parts of his complaint. NatWest sent several complaint responses. In summary, in the pertinent responses NatWest made the following key points:

9 February 2023 response

- Mr W feels he should have been given the number for the vulnerable customers team when he first raised the issue on 2 February 2023. But NatWest disagree that it didn't offer to help Mr W or that it discriminated against him based on his disability
- NatWest suggested Mr W went to branch after several other alternative options were considered. The vulnerable customer team made an exception outside its normal process. NatWest doesn't have a specific vulnerable customer telephone number for business customers, but it has now provided Mr W with a telephone number he could call for such help

20 March 2023 response

- Payment limits are in place as part of NatWest's fraud prevention processes. These limits have been overridden for Mr W as an exception, but it won't do so going ahead. NatWest provided Mr W with a list of its payment limits for OLB, mobile app, telephone, and branch
- NatWest has followed the right process when advising Mr W of its payment limits
- Mr W's OLB was removed in line with its process following his fraud report on 28 February 2023. NatWest agreed it had not provided the service it should have
- NatWest doesn't agree its members of staff were abusive. And it will not tolerate Mr W's abusive manner further. If it continues, NatWest will have no option other than to terminate its relationship with Mr W
- After Mr W's OLB was deactivated on 28 February 2023, NatWest explained the various methods he could re-register. Mr W didn't want to do this but later re-enrolled on its OLB service on the same day – 28 February 2023. So NatWest doesn't uphold Mr W's complaint about the delay in reinstating his OLB service
- NatWest has reimbursed Mr W around £68 at the standard telephone rate for the twelve and a half hours he says he spent on the phone

31 March 2023 response

- Following an investigation, Mr W's fraud claim for a payment of £466 has been declined. This outcome was discussed with Mr W on 1 March 2023 and was followed up with an email

Mr W referred his complaint to this service. One of our Investigator's looked into his complaint. They noted Mr W had raised a further claim against a payment he didn't authorise

of £360 on 6 March 2023 which he'd raised with NatWest. Because of this they asked NatWest for its evidence and submissions for this second disputed transaction.

Our Investigator then sent their outcome to both parties in which they recommended the complaint isn't upheld. In summary, their key findings were:

Disputed transactions

- Other than a letter to NatWest's complaint handler where Mr W mentions 'two known cases of fraud', there isn't any evidence he reported both transactions. So NatWest didn't do much wrong in initially only investigating the first disputed transaction
- They've seen evidence that both transactions were made on Mr W's mobile banking app, and on his trusted device. Both transactions were also made using the IP address Mr W frequently uses
- As Mr W hasn't clicked any unfamiliar web links, shared his OLB login details with a third-party, or responded to any unusual emails and texts, it's not possible to see how a fraudster would have been able to compromise and access his banking app to carry out the transactions
- They haven't seen any evidence that fraudsters had hacked Mr W's phone by deploying 'trojan' software through the mobile phone's app service, or that it had been cloned, despite a third-party bank saying that he may have had
- The payment references for both disputed transactions relate to product items which are specifically related to Mr W's nuanced business activities. And given the account balance, it's unusual a fraudster didn't take more if not all the funds available
- On the balance of probabilities, it's more likely Mr W authorised the transactions or knew who did

International payment

- In relation to the payment Mr W was trying to make of around £5,600 to an overseas supplier, NatWest doesn't have a disabled and vulnerable customer team for business customers. But having listened to calls, NatWest didn't refuse to transfer Mr W to another department.

NatWest acted reasonably by offering to split the payment in two or for Mr W to go to branch. They're not able to instruct it to change its processes

- They haven't seen any evidence NatWest discriminated against Mr W. The £5,000 limit applies to all customers and NatWest made reasonable adjustments for Mr W by making the suggestions it did
- They haven't seen any evidence this payment arrived late nor that it being late led to Mr W losing a contract worth 15 to 20 hours every week

Online banking

- Mr W was told he could call the number on the back of his debit card, or he could be transferred to the relevant team to re-register straight away. Mr W declined the transfer

- NatWest took reasonable fraud protection measures when deactivating Mr W's OLB and by doing so protected him from further losses. It was also reasonable for Mr W to take the suggested steps to reactivate his OLB. NatWest shouldn't be held accountable for any delay in the reactivation of Mr W's OLB

Mr W didn't agree with what our Investigator said. Some of the key points he made were:

- He's not legally allowed to carry out transactions after 5pm due to the medication he needs to take. So he could not have made the disputed transactions given they were made in the evening
- The phone NatWest says he used wasn't the device he was using at the time
- He had discussed the issue with another third-party bank at the time who said there was specific software on his device that allowed fraudsters to make the transactions

Relevant considerations

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

Of particular importance to my decision about what is fair and reasonable in the circumstances of this complaint, are the Payment Services Regulations 2017 (the PSR 2017) which apply to transactions like the ones Mrs M disputes. Among other things the PSR 2017 include the following:

Regulation 67 of the PSR 2017 explains:

67.— (1) A payment transaction is to be regarded as having been authorised by the payer for the purposes of this Part only if the payer has given its consent to —

(a) the execution of the payment transaction; or

(b) the execution of a series of payment transactions of which that payment transaction forms part

Whether a payment transaction has been authorised or not is important because account holders will usually be liable for payments they've authorised and, generally speaking, payment service provider's will be liable for unauthorised payments.

As there is no agreement, this complaint has been passed to me to decide.

What I've decided – and why

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however that I've considered everything that Mr W and NatWest have said before reaching my decision.

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 decided not to uphold Mr W's complaint. I know he feels strongly about this. So I'll explain why.

Reasonable adjustments and discrimination

Mr W says NatWest failed to make reasonable adjustments for him due to his disability. He adds NatWest did this when he tried to make an international payment to his overseas supplier, and later, when it deactivated and failed to reinstate his OLB in a timely and reasonable manner.

I'd like to make it clear I do not doubt how genuinely Mr W feels about this matter and the trouble and upset he's described NatWest's actions have caused him. While I appreciate this is Mr W's perspective, it is not my role to decide whether discrimination has taken place as a matter of law – only the courts have the power to decide this.

I have, however, considered the relevant law in relation to what Mr W has said when deciding what I think is a fair and reasonable outcome. Part of this has meant considering the provisions of The Equality Act 2010.

Mr W says his disability relates to his inability to use his hands for tasks such as using the telephone. In other words he doesn't have the dexterity to use them. NatWest say details about Mr W's vulnerabilities were added to Mr W's profile on its systems on 8 December 2022. NatWest can't say if one of its agents added the note or whether it was Mr W using its customer interfacing online portal to do so.

The internal note says Mr W has a dexterity or mobility impairment and that he has a cognitive condition, and that he can manage his finances but will need support. I haven't seen any other evidence that NatWest were aware any earlier, but I don't think it matters as it knew before both the international payment was attempted, and when the OLB was deactivated.

International payment

Mr W was unhappy he couldn't make the first of two instalment payments of around £5,600 in early February 2023. He adds NatWest failed to make reasonable adjustments and so has discriminated against him based on his disability. I've listened to a couple of calls that NatWest have been able to provide related to this issue. I don't doubt how troubled and upset Mr W felt by not being able to make this payment using his mobile app.

NatWest did offer to initially split the payments into two so that the beneficiary overseas would receive the whole payment albeit in two parts. Mr W didn't agree to this suggestion. I haven't heard on the call or seen anything else to show why Mr W was not happy with this alternative. I'm persuaded this would likely have alleviated the problem much sooner had Mr W agreed.

I note that the payment limits Mr W was sent by NatWest suggest he could've sent up to £10,000. But NatWest has since explained that it has a lesser limit when a new payee is added on the mobile or OLB service. This is understandable and it's a common counter fraud measure when new payees are setup for many banks.

As Mr W didn't want to split the payment, he was told to go into branch to make the transfer. Mr W says he didn't want to do this. The only reason I've seen from the evidence available

why Mr W refused was that the branch was quite far to travel to given more proximate branches had closed. This is understandable, but I haven't seen anything that shows Mr W wasn't able to travel – and given he wanted to make the payment quickly, I'm persuaded this too was a reasonable suggestion.

Around six days from initially wanting to make the payment, Mr W was able to speak to someone in NatWest's customer vulnerabilities team who circumvented its normal process and made the payment in whole. Mr W says this should have been done sooner by NatWest giving him the telephone number when he first called to speak about making this payment.

NatWest say that it doesn't have such a team for any of its business account holders. I also note that NatWest gave Mr W a specific telephone number that he can call in the future for any similar issues to help with similar issues.

Having carefully weighed this up, I'm persuaded NatWest made reasonable attempts and suggestions to make the adjustments for Mr W based on his disability. It's possible a referral to the vulnerability team could have led to the matter being resolved much sooner, but I think this is mitigated by the viable alternatives that were suggested earlier.

NatWest also gave Mr W a telephone number he could call who could help Mr W with any such reasonable adjustments despite that being outside its normal process. I don't think it needed to do anymore.

OLB registration

I've listened carefully to around eleven calls NatWest has provided me with between itself and Mr W related to the OLB being deactivated and his attempts to reinstate it. Having done so, it's clear this was an important account feature to Mr W and one which he needed to run his financial affairs – both personally and for his business due to his disability.

Having said that, I think NatWest acted fairly and in line with its obligations to protect Mr W from financial harm by immediately deactivating it when he reported a fraudulent transaction had been made from his account.

NatWest has sent me technical evidence which shows the payment was made through Mr W's mobile banking. So I'm satisfied this made the immediate deactivation more urgent given the disputed transaction was made using OLB service which includes mobile banking.

Mr W spends most of the day trying to get his OLB reactivated so that he can make the second instalment to his overseas supplier - and use his banking services in line with his needs. Mr W says it took around six weeks to get this sorted. But NatWest say it was reactivated the same day – the 28 February 2023.

The calls I've listened to amount to NatWest saying Mr W would need to be sent an activation code to reactivate his OLB. Mr W makes it clear he can't receive this by post as his correspondence address was under construction. So he wanted NatWest to do something outside its normal process which would get him registered again instantaneously. Mr W is put through to a team that can help him but it's not clear if they can send him the activation code by SMS. They say it may be possible, but Mr W would need to make a note in line with what he's able to physically manage of his new login credentials. At one point NatWest suggest he make a voice recording. Mr W isn't altogether happy with this as he says he may forget.

Unfortunately the next call in this sequence isn't available. NatWest say it's unable to retrieve any calls where a previous member of staff has left. This isn't ideal, but I'm satisfied NatWest

has done all it can to provide me with all the calls it could – and the technical evidence about Mr W's OLB logins. I should also add here that where evidence is incomplete or unavailable, I can reach a determination based on what I think is most likely to have happened – that is the balance of probabilities.

NatWest say Mr W's OLB was reactivated on the 28 February 2023. The technical records also show that there were logins after Mr W's OLB has been deactivated on that day. And from what I've seen on these records, there were at least three logins made using the same manufacturer's mobile phone. So I'm satisfied it's most likely the OLB was reactivated the same day with new security credentials to gain access.

Mr W may have had issues recollecting or relocating his login credentials which likely led to him calling about this over the next few weeks as he says he did. NatWest has also said that Mr W's OLB access was revoked sometime later as there had been three failed PIN attempts. And all he had to do to regain access was to click the 'forgotten my details' option at login and go through resetting his PIN/password.

I'm persuaded NatWest did what it could to make reasonable adjustments based on what Mr W told it about his mobility and dexterity challenges.

Ultimately, Mr W would need some form of unique or personalised security credentials to access his OLB to avoid it being susceptible to fraud. And NatWest would need to ensure it is sent securely to him. I note Mr W wanted the activation code read out to him over a call – but banks will not allow such security credentials to be accessible to its staff as an anti-fraud measure.

I note NatWest has paid Mr W the standard call rate for the twelve and a half hours he says he spent trying to resolve this issue. I don't think it needs to do anymore.

Disputed transactions

I'm satisfied from NatWest's technical evidence that Mr W's account was accessed through its mobile banking app using its security processes to make the transactions. So, that means I'm satisfied the transactions were authenticated in line with what the PSR's say. But the PSR's say that is not, on its own, enough to enable NatWest to hold Mr W liable.

I also need to think about whether the evidence suggests it's more likely than not that Mr W consented to the payments being made. Having given this careful thought, I'm persuaded, on balance, that it's most likely Mr W did consent to the transactions he disputes. I say that because:

- The technical evidence I've been provided by NatWest show both disputed transactions were made on Mr W's mobile banking app on a device he had been using previously alongside IP (internet protocol) addresses also previously used
- Mr W says he had not clicked any unfamiliar weblinks, opened unusual emails, nor had he shared any of his security credentials with a third party. Mr W has also said he didn't leave his security details in a way that an unauthorised third-party may have been able to access them.
- Mr W says that a third-party bank told him his phone had been hacked or cloned. NatWest say there is no evidence Mr W's phone could've been hacked or cloned by a fraudster in this way. The email Mr W has sent me from this bank only explains that such malicious software does exist and that it's generally deployed through the phone

manufacturers app store on downloaded apps. But it stops short of saying Mr W's phone had this software installed on it and that it was actively being used.

I don't disagree that such software exists, but I haven't seen compelling evidence that this was being used on Mr W's phone. If that was the case, I'd also have expected Mr W to have taken his phone for inspection or have reset it. He hasn't said he's taken any such measure

- The disputed transactions both have payment references related to quite specialist products that relate to Mr W's specific business activity. This is unusual, and I question how an unknown fraudster would've known what Mr W's business activity was
- I can't purport to know exactly how a fraudster would operate, but it doesn't seem plausible that they would only make payments for two payments of around £466 and £360 when there was around a £4,000 balance on Mr W's account. Generally, I'd expect a fraudster to take as much money as quickly as they could
- Mr W argues he didn't have access to his OLB to have carried out the second transaction on 6 March 2023. But I've already said his OLB had been reactivated on 28 February 2023, and if he hadn't, I can't see how someone else would have been able to logon

So after carefully weighing this all up, I'm persuaded its most likely Mr W or someone he expressly authorised made the two transactions he disputes to having authorised. That means I won't be asking NatWest to refund Mr W.

I note Mr W says he wouldn't have been able to make the transaction due to the medication he had to take rendering him unable to do so in the evenings. I don't doubt what Mr W says, but as I've explained above, on the balance of probabilities, I'm persuaded he or someone acting on his behalf did authorise them.

My final decision

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 2 August 2024.

Ketan Nagla
Ombudsman