

## **The complaint**

Mr K complains that National Westminster Bank Plc (“NatWest”) won’t refund £7,000 he lost to an employment scam.

The details of this complaint are well known to both parties, so I won’t repeat everything again here. Instead, I will focus on giving the reasons for my decision.

## **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 agree with the conclusions reached by the investigator for the following reasons:

- It isn’t in dispute that Mr K authorised the payments he made from his NatWest account as part of the scam. Mr K said all the payments he made went into a cryptocurrency account under his control, where the money was converted to USTD and then transferred on to the scammer. The payments were requested by him using his legitimate security credentials provided by NatWest, and the starting position is that banks ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.
- However, I’ve considered whether NatWest should have done more to prevent Mr K from falling victim to the scam, as there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.
- I’m not persuaded the first payment of £2,000 Mr K made on 20 January 2023 was unusual enough to warrant NatWest making further enquiries. However, it’s accepted that the second payment of £5,000 he made was unusual given that it did trigger the bank’s fraud prevention systems and was automatically blocked pending further enquiry. Accordingly, it’s just a question of whether NatWest went far enough in all the circumstances with its intervention.
- When NatWest spoke to Mr K, it asked him the reason why he was making the payment. However, while Mr K was paying money to buy cryptocurrency which he thought was required as part of his employment, he didn’t provide an honest answer and instead told NatWest that he was paying money back to a friend from whom he’d previously borrowed it. He said that he had met this person, he trusted them, and had received their account details face to face, so the payment was released.
- Mr K also spoke to NatWest later about a £3,000 payment, where again he didn’t provide an honest answer and said he was paying a family friend in relation to setting up a business. NatWest did not allow this payment to go through, however, as it was concerned he was being scammed at this point given he couldn’t provide clear answers on what services his friend was supplying to his business. It was still unable to get to the

bottom of what sort of scam Mr K was falling victim to though, as he hadn't been forthcoming with the true nature of the payments.

- During the first call Mr K had with NatWest, he didn't say at any point that he was paying money as part of his employment. If he had, then I accept it would have been incumbent on NatWest to maintain suspicion about the payment and probe further into the circumstances. But seeing as Mr K was not forthcoming with these details, I don't think there was any failing on the bank's part to probe further on the first call, as Mr K had reassured it that he was repaying money to someone known to him. I appreciate Mr K may have been coached by the scammer to lie to the bank if he was ever questioned about the payments he was making. But NatWest specifically asked him whether anyone had told him to lie, to which he said they hadn't. It was based upon the answers he gave during the first call that NatWest was satisfied he wasn't likely being scammed at that point.
- Therefore, I don't consider it would be fair and reasonable to hold NatWest liable for Mr K's loss, because it seems more likely than not that he would have continued to provide misleading answers if the bank had probed further during the first call, meaning it wouldn't have likely been able to uncover or prevent the scam at that point.
- I also don't think there was anything more NatWest could've done to recover the money Mr K lost either. There would've been no prospect of recovering the funds from the receiving accounts, given we know that Mr K had paid the money to purchase cryptocurrency, which had already been transferred to the scammer by the time the fraud had been reported.

I appreciate this will likely come as a disappointment to Mr K, and I'm sorry to hear he has been the victim of a cruel scam. However, I'm not persuaded NatWest can fairly or reasonably be held liable for his loss in these circumstances.

### **My final decision**

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 27 February 2024.

Jack Ferris  
**Ombudsman**