

The complaint

Mr R complains NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (NatWest) didn't do enough to protect him when he fell victim to an investment scam and that it won't refund the money he lost as a result.

What happened

Between 8 November 2023 and 5 January 2024, Mr R lost £2,954.63 to what he believes to be an investment scam. Mr R explained that he learned about an AI based crypto investment trading platform ("C") from his own research and started to invest. Over the space of eight weeks, Mr R made the following payments to a legitimate crypto exchange ("K"):

Payment	Date	Amount
1	9 November 2023	£150
2	20 November 2023	£150
3	20 November 2023	£110
4	20 November 2023	£50
5	21 November 2023	£300
6	21 November 2023	£20
7	21 November 2023	£900
8	21 November 2023	£600
9	21 November 2023	£750
10	21 November 2023	£100
11	24 November 2023	£105.73
12	24 November 2023	£10
13	27 December 2023	£10
14	5 January 2024	£250
15	5 February 2024	£10
		£3,515.73

Mr R was able to successfully withdraw £561.10 from K, which reduced his loss to £2,954.63. Mr R later learned that C was a scam.

Mr R instructed a professional representative ("R"), who complained to NatWest on his behalf. NatWest didn't uphold the complaint as it considered the payments were properly processed in line with Mr R's instructions and they did not trigger additional fraud prevention checks at the time.

Unhappy with the response, Mr R referred his complaint to the Financial Ombudsman. Our Investigator didn't uphold the complaint. She didn't think any of the payments looked suspicious such that NatWest ought to have made additional checks before processing any of them.

R has asked for the matter to be referred for a decision. It said the payments were uncharacteristic for Mr R and should have prompted NatWest to provide him with a scam warning.

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.

At the outset, I should note that R has provided very little evidence to substantiate the scam it says Mr R fell victim to, other than evidencing that payments were made to K and that crypto was withdrawn from the account. I have seen nothing to evidence Mr R's funds were ultimately sent to C, or that Mr R was misled by C into making the payments which caused him to suffer a loss. But even if Mr R was able to further substantiate that he fell victim to a scam and suffered a financial loss as a result, I am not persuaded NatWest can reasonably be held responsible for that loss. I'll explain why.

Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, NatWest ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

But there is also a balance to be struck between identifying payments that could potentially be fraudulent and minimising disruption to legitimate payments.

I have reviewed Mr R's previous account activity alongside the payments he made to the scam. Having considered when they were made, their value and who they were made to, I'm not persuaded NatWest ought to have found any of the payments suspicious, such that it ought to have made enquiries of Mr R before processing them.

Payments 1 to 6, and payments 10 to 15, were for low values that were entirely in keeping with Mr R's usual account activity. While payments 7 to 9 were for slightly larger sums, I don't think it is unusual for account holders to occasionally make payments that are higher than their previous spending. I'm also not persuaded the payments were so significant or unusual, either individually or collectively, that NatWest ought to have recognised there was a significant risk of financial harm from fraud. In reaching this view, I'm mindful that Mr R had previously made multiple payments to the same payee on a single day in the past. And by the time Mr R instructed payment 7, K was becoming an established payee, with his first payment having been made nearly two weeks earlier, and Mr R had received three credits from it into his NatWest account.

Taking everything into account, I can't see that there was sufficiently concerning information about any of Mr R's payments that NatWest ought to have reasonably intervened or provided a specific warning before processing the payment instructions. So, while I know this will be disappointing for Mr R, I don't find that NatWest are responsible for his loss. It follows that I will not be asking it to take any further action.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or

reject my decision before 5 June 2025.

Lisa De Noronha
Ombudsman