

The complaint

Mr J complains that National Westminster Bank Plc (NatWest) didn't do enough to protect his funds when he fell victim to a romance scam.

What happened

In 2022, Mr J connected with a woman (the scammer) on a social media platform who lived abroad. They began to speak regularly and after a period of time Mr J understood they were in a relationship that had the potential to be long-term. The scammer wanted to move to the UK to be with Mr J and explained she had the money to do so from inheritance. But at that time, she couldn't afford the fees to release these funds, so Mr J paid them. The scammer then asked Mr J for funds for other costs relating to releasing her inheritance, daily living costs and for them being able to meet in person, such as passport fees.

Mr J says he discovered he'd been scammed after he flew abroad a second time to meet the scammer and she didn't show up again. He complained to NatWest about the payments made from his bank account and said he'd been scammed. Via a representative, he said it ought to have done more to protect him and if it had questioned him at the time, the scam would've unravelled. NatWest didn't uphold his complaint.

Mr J brought his complaint to our service. NatWest didn't change its stance on the overall merits of the scam complaint, but it did offer £100 for the customer service Mr J received when he reported the scam. Our Investigator thought the offer for customer service was fair and he didn't uphold the rest of the complaint. He didn't think NatWest needed to do more than it did in relation to the payments. Mr J disagreed and asked for an ombudsman to review his case, but he asked to be paid the £100.

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.

I've considered longstanding regulatory expectations and requirements, and what I consider to be good industry practice. In line with this, NatWest ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I have reviewed Mr J's account and the payments made because of this scam. I can see that NatWest did ask Mr J to go in-app and approve all the payments with values above £130 that were made towards this scam. So it did take some additional steps to check for fraud and to verify it was Mr J making the larger payments.

Having considered when the payments were made, their value and who they were made to, I think the steps NatWest took were proportionate to the identifiable risk in this case. I don't consider it ought to have found any of the payments so suspicious, such that it ought to have made further enquires of Mr J before processing them. I'll explain why.

Looking at Mr J's account history, I don't consider the payments made to this scam were so out of character that NatWest needed to stop and question him on them. Mr J does make genuine payments of a similar value to many of the disputed payments. And most of the payments are spaced out. While I now accept due to the scam, Mr J uses the money remittance services monthly, at the end of each month, for a three-month period. So a pattern of payments is created for his account.

I've considered whether, despite this, NatWest ought to have done more when the second payment was made on 23 March 2023 (statemented on 27 March 2023) as it was for a higher value than other payments. And, when combined with a previous payment already made that day, did mean a higher spend on the account. But I don't consider it should have.

By then, Mr J had used these kind of money remittance services several times. The amounts sent that day weren't so high or suspicious compared to these other payments that I think they warranted additional questioning, aside from NatWest confirming it was Mr J making them. I've also taken into account that many payments that look very similar to this one will be entirely genuine – there isn't a common scam associated with the service Mr J was using. And I've also given consideration to NatWest's duty to make payments promptly and that it shouldn't impose a level of friction disproportionate to the risk the payment presented. With this in mind, I'm satisfied that the checks it did do were proportionate in this case.

Mr J's representative argues NatWest should've intervened when he made repeated payments for £19.99 to make sure Mr J wasn't making an error with them. As above, I don't agree these did warrant an intervention, but even if it had, it would've been proportionate for an automated system to simply check it was Mr J like it did with other payments. This would deal with the perceived risk his representative has raised. But, as it was him making them, even if NatWest had done this, he would've continued to go ahead.

I have considered whether there are any ways NatWest could have recovered Mr J's money, but I don't consider it could have. Mr J reported the scam some time after it happened and made the payments using his debit card. So Mr J was out of time to start a chargeback claim for any of the payments that would be covered by these rules. And I don't consider the payments could've been recovered any other way.

Whilst Mr J has undoubtedly been the victim of a cruel scam, I don't find there were any failings on NatWest's part that would lead me to ask it to refund to the funds lost as a result of this scam.

In relation to the £100 compensation, when providing its file NatWest proactively recognised a failing in the call Mr J had when he reported the scam, rather than this being something I can see he specifically complained about. I understand Mr J has already accepted this award and NatWest has indicated it will pay this compensation when the case with our service closes. So I don't consider there is anything for me to decide in relation to this aspect.

My final decision

For the reasons set out above, I don't uphold Mr J's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 17 January 2025.

Amy Osborne
Ombudsman