

The complaint

Miss G complains that National Westminster Bank Plc (NatWest) won't refund her the money she lost after she fell victim to an Authorised Push Payment (APP) scam.

What happened

The background to this complaint is well known to all parties, so I won't repeat it all in detail here. But in summary, I understand it to be as follows.

In or around December 2023, Miss G was looking to earn some extra income and was looking for a position that would enable her to ideally work from home, doing a data entry type role.

She searched online and, after providing her details, was contacted about what she believed to be a legitimate job opportunity. Miss G exchanged messages with, who she thought was, a representative of the company – discussing the role and training. The job entailed completing online reviews ('tasks') of 'apps', with payment/commission being paid based on the number of reviews completed. But unknown to her at the time Miss G was dealing with fraudsters.

Miss G followed the fraudsters instructions of how to sign up, which included setting up cryptocurrency wallet accounts. Miss G was told this was needed so that she could fund an account that would enable her to carry out the tasks, which would then earn her commission.

Believing everything to be genuine, Miss G initially made payments straight to the crypto accounts that she had set up, but then also to an account she set up with an Electronic Money Institute (which the fraudster persuaded her to open to help facilitate the payments), before then moving the payments into her crypto wallet. From the deposits she made to her own crypto wallets, Miss G would then send money to crypto accounts the fraudsters controlled.

Miss G made the following payments from her NatWest account, with the funds ultimately ending up in accounts the fraudsters controlled;

1 December 2023	£70	to crypto wallet 1
8 December 2023	£135	to crypto wallet 2
15 December 2023	£525	to crypto wallet 2
15 December 2023	£800	to Miss G's own EMI account
18 December 2023	£30.13	to Miss G's own EMI account
18 December 2023	£20.08	to Miss G's own EMI account
20 December 2023	£309	to crypto wallet 3
22 December 2023	£560	to Miss G's own EMI account
27 December 2023	£12	to Miss G's own EMI account
27 December 2023	£160	to crypto wallet 3
27 December 2023	£22	to crypto wallet 3
27 December 2023	£592	to crypto wallet 3

Miss G realised something was wrong and that she'd been scammed when she was unable to withdraw her money and was then told that she needed to make further deposits to pay for 'personal tax'.

Miss G reported the matter to NatWest. It investigated Miss G's complaint and issued its final response on 4 May 2024 not upholding it. In summary, it said it was sorry to learn that Miss G had fallen victim to a scam, but as the funds were sent directly to Miss G's own accounts elsewhere, no loss was occurred as a result of NatWest following her instructions to make the payments. It added the activity did not receive a high enough risk score to trigger it restricting the payments. Overall, NatWest didn't agree that any bank error had occurred.

Unhappy with NatWest's response, Miss G brought her complaint to this service. One of our Investigator's looked into things but didn't think the complaint should be upheld. In summary, this was because he didn't think the payments Miss G made were particularly unusual or suspicious in appearance, when considering them against her normal account activity. So our Investigator thought there was little for NatWest to conclude that Miss G was at risk of financial harm.

Our Investigator also didn't think NatWest had missed an opportunity to recover any of the money Miss G had sent, as the money had been sent to accounts in her own name and onto the fraudsters from there.

Through her representatives, Miss G didn't agree with our Investigator's view. As agreement couldn't be reached the complaint has now been passed to me for a final 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 carefully considered everything I'm not upholding Miss G's complaint.

In broad terms, the starting position at law is that a bank, is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of the customer's account. And I have taken that into account when looking into what is fair and reasonable in this case.

I understand NatWest don't believe it should be held responsible for Miss G's loss as it says it didn't occur with it, but rather the money was lost from other accounts Miss G held with different providers.

However, it doesn't automatically follow that this means NatWest can't be held liable for the loss Miss G incurred. This is because the potential for multi-stage scams ought to have been well known to NatWest and as a matter of good practice it should fairly and reasonably have been on the look-out for payments presenting an additional scam risk – including those involving multi-stage scams.

So, with all of this in mind I've considered whether there was anything about the circumstances surrounding the payments that could have put NatWest on notice that they were being made as part of a scam – but I don't think there was.

I say that because, while not insignificant, the payments weren't for what I'd consider to be particularly large amounts. There were other payments for similar amounts going out of her account around the same time. The payments also fluctuated in terms of value and payee

and were paid over a number of weeks, so I don't think they formed a suspicious pattern, to the extent where I could reasonably have expected them to have given NatWest cause for concern.

As I don't think the payments will have looked particularly suspicious or unusual to NatWest, I think it's reasonable that NatWest didn't identify that Miss G was potentially at risk of fraud as a result, or that it didn't ask any further questions or carry out any additional checks before allowing them to go through.

Did NatWest do enough to recover the money Miss G lost?

Once they have been notified of a scam, we expect businesses to take reasonable steps to try to recover any money their customers have lost.

But NatWest can only try to recover the money from where it was sent to. And in the circumstances of this case, the payments Miss G made were to buy cryptocurrency (or to send money to an account she held with another provider, from where she bought cryptocurrency), and these purchases appear to have been legitimate – Miss G actually did receive the cryptocurrency she was paying for, but was sadly duped into then sending it on to the scammers. So any attempt by NatWest to recover the money would have been unsuccessful, as Miss G received what she paid for with these payments. And so I don't think anything we'd reasonably expect NatWest to have done would have recovered the money Miss G lost.

I sympathise with the position Miss G has found herself in. She has been the victim of a cruel scam and I'm in no way saying she did anything wrong herself. I appreciate that my decision will come as a disappointment to her. But, for the reasons I've set out above, I don't think NatWest has acted unreasonably or that anything I would reasonably have expected it to do would have prevented this scam or recovered her money. So I don't think it would be fair to require NatWest to refund the money Miss G has lost.

My final decision

My final decision is that I don't uphold this complaint against National Westminster Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 19 November 2024.

Stephen Wise
Ombudsman