

The complaint

Mr G complains National Westminster Bank Public Limited Company (“NatWest”) didn’t do enough to protect him when he fell victim to a scam.

What happened

Mr G said he was looking for employment and applied for a job via a social media site. He said he was contacted by someone who I’ll refer to as the scammer, and the job was task-based. He said he was told to download an app and would review a different brand within the travel industry each day.

Mr G explained he purchased cryptocurrency from a company, which I’ll refer to as B, which he then subsequently sent on to the scammer. It’s not clear at this time if B was involved in the scam.

Mr G said he found his account was in a negative balance which prevented him from completing tasks. He told us he made a payment of £800 and his account remained in a negative balance and it was at this time he became suspicious that the job was actually a scam.

Mr G complained to NatWest and us about the above mentioned £800 payment made on 29 May 2024 by bank transfer. Mr G made three smaller payments to the same payee on 28 May 2024 for £90, £50 and £40. While he hasn’t complained about these earlier payments it seems they were related to the scam and so I have considered them as part of this complaint.

Soon after he made the £800 payment Mr G raised the matter with NatWest and it said it was unable to raise a scam claim against B as it was currently active on Companies House.

Mr G complained to NatWest, and his complaint wasn’t upheld. Unhappy with NatWest’s response, he raised the matter with the Financial Ombudsman. One of our Investigators looked into the complaint and didn’t uphold it. They didn’t think NatWest ought to have been concerned by the payment and it was reasonable for NatWest to have processed it. Mr G didn’t agree with the outcome, he said he was vulnerable at the time the scam occurred which has left him struggling with his mental health.

As an agreement could not be reached, the complaint has 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.

While NatWest said it wasn’t able to raise a scam claim, having considered the evidence provided and Mr G’s testimony on how things unfolded, I’ve considered the matter on the basis Mr G was the victim of a scam.

I'm sorry that Mr G has lost this money, and I don't underestimate the impact this has had, and continues to have, on him. And so, I'd like to reassure him that I've read and considered everything he's said in support of his complaint. But I'll focus my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. I know this will come as a disappointment to Mr G but having done so, I won't be upholding his complaint for broadly the same reasons as the investigator. I'll explain why.

In broad terms, the starting position at law is that banks and other payment service providers are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

Mr G authorised the payments in question here – so even though he was tricked into doing so and didn't intend for his money to end up in the hands of a scammer, he is presumed liable in the first instance.

But as a matter of good industry practice, NatWest should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: as while banks and Electronic Money Institutions should be alert to fraud and scams to act in their customers' best interests, they can't reasonably be involved in every transaction.

I've thought about whether NatWest acted fairly and reasonably in its dealings with Mr G when he made the payments, or whether it should have done more than it did. In doing so I've considered what NatWest knew about the payments at the time it received his payment instructions and what action, if any, NatWest took prior to processing the payments.

NatWest didn't intervene on the payments. NatWest told us it isn't possible for a customer to make a payment to a new payee without stating what the payment is for. It said a scam warning is then presented based on the reason the customer gave. However, NatWest hasn't been able to say what reason Mr G gave when he sent the first payment to B on 28 May 2024.

I've thought carefully about whether it was reasonable for NatWest to process the payments without intervening or whether it should have done more. The payments weren't of an unusually excessive value, so I don't think they were suspicious in nature to cause NatWest to be concerned Mr G was potentially falling victim to a scam. I've reviewed Mr G's account statements prior to the scam and can see he made payments for similar amounts in the months prior to the disputed payments. And Mr G has confirmed he was purchasing cryptocurrency from B, but this wasn't something NatWest would have been aware of at the time the payments were made.

So based on the circumstances of these payments, I don't think there were sufficient grounds for NatWest to think that Mr G was at risk of financial harm from fraud when he made them. So, I can't say NatWest was at fault for processing the payments in accordance with Mr G's payment instructions.

I agree with our Investigator that the payments don't fall under the Contingent Reimbursement Model code as the payments were made to purchase cryptocurrency and such payments aren't covered by the code.

I'm sorry to disappoint Mr G further, but I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think NatWest needs to refund his money or pay any compensation. I realise this means Mr G is out of pocket and I'm really sorry he's lost this money at an already difficult time for him. However, for the reasons I've explained, I don't think I can reasonably uphold this complaint.

Recovery

I've thought about whether there's anything else NatWest could have done to help Mr G — including if it took the steps it should have once he raised the matter.

The transfers were to purchase cryptocurrency and in that case the money would have been exchanged into cryptocurrency and it seems that Mr G got the cryptocurrency he paid for and in these cases, there's no real prospect of successful recovery of funds.

My final decision

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 G to accept or reject my decision before 10 July 2025.

Charlotte Mulvihill
Ombudsman