

The complaint

Miss N complains that National Westminster Bank Plc ('NatWest') won't refund payments she made as part of a scam.

What happened

Miss N explained she was the victim of investment scams involving the following payments from her account:

Date	Description	Amount
7 May 2020	Direct Banking Payment to CB Payments Ltd	£500.00
15 May 2020	Direct Banking Payment to CB Payments Ltd	£1,000.00
1 February 2022	Card Payment to Kraken Exchange	£614.24

Miss N, via her professional representatives, complained to NatWest in 2024 saying it ought to refund the payments. It declined to do this, saying it's generally required to make the payments she instructs, and for these payments, the activity wasn't risky enough to trigger a restriction.

Still unhappy, Miss N brought her complaint to us to investigate.

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 outcome as our investigator for these reasons:

- I've not been provided with a great deal of information to support what Miss N has told us about how she was scammed. But ultimately, I don't think I need to determine if and exactly how Miss N was scammed. Because either way, I'm not persuaded that NatWest can be fairly held liable for her losses. I'll explain why.
- I've noted Miss N's professional representatives initially referred to the Contingent Reimbursement Model. But that doesn't apply to payments like these which seemingly went to an account in her own name, before being exchanged and sent to fraudsters. It also doesn't apply to card payments.
- That means the starting position is that NatWest is expected to process payments that Miss N authorises it to make, in accordance with the Payment Services Regulations 2017. While Miss N was seemingly the victim of a cruel scam, it's accepted she authorised these payments. That means she's presumed liable for the losses in the first instance.
- However, there are circumstances when it might be appropriate for NatWest to take additional steps before processing a payment. Such as when there are grounds to suspect the payment presents a fraud risk. That might occur when a payment is

significantly unusual or uncharacteristic compared to the normal use of the account.

- Looking at Miss N's account history, I'm not persuaded these payments appeared so uncharacteristic that NatWest ought to have suspected she was falling victim to a scam. They weren't very close together in time; they weren't particularly significant in value; and Miss N had previously made similar size (and larger) payments.
- I've noted Miss N's representatives' view that NatWest ought to have questioned the circumstances of the payments, which they think would've prevented her losses. But I'd only expect NatWest to step in if the payments suggest she's at risk of fraud – after all, it can't reasonably question every payment. And taking into account the factors I've described above, I don't consider it remiss that NatWest processed the payments in line with the instructions without completing further checks.
- I do appreciate how disappointing this will be for Miss N. But for the reasons I've explained, I don't think her losses can be attributed to something NatWest did wrong. So I don't uphold her complaint.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss N to accept or reject my decision before 19 March 2025.

Emma Szkolar
Ombudsman