

The complaint

Mr S complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ('NatWest') won't reimburse him the money he lost to a scam.

Mr S has brought his complaint with the assistance of a professional representative. For ease I'll refer to their submissions as being from Mr S except where the facts require otherwise.

What happened

Mr S said he decided to make an investment following a cold call from someone who sadly turned out to be a scammer. He says the scammer was very pushy and convinced him the investment was safe with a guaranteed high rate of return.

Mr S set up an account in his name with a cryptocurrency provider. In the nine month period between 14 December 2020 and 13 September 2021 he used his NatWest debit card to make 21 payments totalling just under £5,600 to his cryptocurrency account. He exchanged the money to cryptocurrency and says he then sent it to various scam investment companies.

In November 2024 Mr S complained to NatWest, saying it had failed to intervene and prevent him from losing his money to a scam. NatWest said the payments Mr S had made weren't sufficiently suspicious to trigger any warnings. It couldn't recover the money because the payments went to Mr S's own cryptocurrency account and so the payments, of themselves, didn't cause him any loss.

Unhappy with the outcome, Mr S brought his complaint to this Service. Our Investigator didn't uphold his complaint as they didn't consider the payments looked suspicious such that NatWest ought to have made additional checks before processing any of them.

Mr S didn't agree and asked for an Ombudsman's decision. In summary, he said the disputed transactions were frequent, ongoing payments amounting to a substantial sum. He said the payment pattern was unusual and the payments were made to a cryptocurrency provider. These combined factors should have triggered scrutiny by NatWest.

Our Investigator didn't agree the payments should have indicated to NatWest that Mr S was at a heightened risk of financial harm from fraud as the individual payments were not of significant value, being made over a long period of time in which some transactions were weeks and months apart. But as part of a final review our Investigator asked Mr S to send us evidence about the scam, including statements from his cryptocurrency provider showing he'd sent payments from his cryptocurrency wallet to the scammers.

Mr S wasn't able to send the requested evidence. Our Investigator explained that even if Mr S's complaint had been upheld, we would still need to see evidence that he'd suffered a loss due to a scam in order to make an award of compensation.

As an agreement couldn't be reached, the complaint's come to me for review.

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.

Mr S doesn't dispute that he authorised the payments he made to the scammer. The starting point is that banks ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.

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.

In saying this, I accept that banks should have been aware of the risk of cryptocurrency scams since at least January 2019 as the Financial Conduct Authority (FCA) and Action Fraud published warnings about them in mid-2018. But at the time Mr S made the payments in 2020 and 2021 banks didn't need to automatically treat payments to cryptocurrency providers as carrying a significantly heightened risk of fraud.

There's a balance banks need to strike between identifying payments that could potentially be fraudulent and allowing customers ready access to their funds. Not all crypto-related payments are made as a result of a fraud or scam.

So the key question here is whether the payments were sufficiently unusual or suspicious for Mr S's account such that intervention from NatWest ought reasonably to have been warranted.

I don't think NatWest ought reasonably to have intervened. I'll explain my reasons focusing on the points that I think are central to my decision.

I have reviewed Mr S's account and the payments he made to the cryptocurrency provider. Having taken into account when the payments were made, their value and who they were made to, I'm not persuaded NatWest should have found any of the payments suspicious, such that it ought to have made enquiries of Mr S before processing them.

I accept the payments were to a cryptocurrency provider, but as I've said that doesn't mean the payments should automatically have been treated as suspicious.

Mr S didn't make a rapid series of payments over a short period of time. Instead he made the payments over a nine-month period. I don't consider any single payment, or series of payments should reasonably have led to NatWest intervening. So while I am sorry to read about the impact of the fraud on Mr S, I can't reasonably uphold his complaint.

I should say for completeness that even if my findings were different (and I had found that NatWest should reasonably have intervened and that this would have prevented the loss) it's unlikely that I could have fairly required NatWest to compensate Mr S. I say this because - aside from his own testimony - Mr S has not been able to provide any additional evidence to show that he made the payments to the cryptocurrency exchange as a result of a scam. I've not seen any: messages between him and the scammer; evidence that he sent money from his cryptocurrency wallet to the scammer, such as a statement from the cryptocurrency provider; or evidence of the instructions given to him by the scammer.

Finally, I don't think NatWest could have recovered any of the money paid to the scammer. I say this because Mr S authorised the payments made to his cryptocurrency wallet to buy

cryptocurrency and he did not report the scam to NatWest for around three years. This means NatWest could not reasonably have recovered any of Mr S's money through the chargeback process.

My final decision

For the reasons I've explained, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 16 October 2025.

Amanda Maycock
Ombudsman