

The complaint

Miss K complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ('NatWest') won't refund money she lost after falling victim to a scam.

Miss K is professionally represented, however, to keep things simple, I'll refer to Miss K throughout my decision.

What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

In November 2024 Miss K told NatWest that she had fallen victim to a romance scam. And that, as part of the scam, she had made transactions totalling around £12,000 between September and October 2024 that had all been lost. From what I can see, the transactions included payments to two separate crypto platforms as well as a transfer to an account Miss K held at another banking provider.

NatWest rejected Miss K's complaint and declined to refund her. They said the payments were made to accounts in her own name and that they had found no bank error.

Miss K referred her complaint to the Financial Ombudsman. Our Investigator didn't think NatWest had to do anything further. In short, she said:

- The amounts and the pattern of the payments wouldn't have appeared suspicious to NatWest due to their value and frequency.
- Payments were made to accounts held in Miss K's own name which required a confirmation of payee (COP) match, and it's not unusual for individuals to make one off payments of higher value to accounts they hold elsewhere in their own names.
- NatWest couldn't have done anything to recover the funds as there weren't any chargeback rights for the debit card transactions – as Miss K received the service she paid for. And the faster payment Miss K made to an account she held at another banking provider had already been moved onto the scammer.

Miss K didn't agree and asked for her complaint to be referred to an Ombudsman. In summary, she said:

- She had never made payments to a crypto exchange prior to the scam, so this should have been flagged as a new payee. And if NatWest had contacted her and asked her questions about the payments before processing them it's likely the scam would've been uncovered and her loss would've been prevented.
- The payments were made in quick succession and a pattern of unusual spending was formed.
- The account was predominantly used for relatively small retail transactions, so the high-value payments especially those payments totalling over £1,000 should have been flagged as uncharacteristic, as it was clear that they were not in line with the usual account activity.

The matter has been passed to me to decide.

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'm very sorry Miss K has lost a significant amount of money. But I must consider whether NatWest is responsible for the loss she's suffered. Having done so, and while I realise this isn't the outcome Miss K is hoping for, for similar reasons as our Investigator, I don't think they are. Because of this, I don't think NatWest acted unfairly by not refunding the payments. I'll explain why.

Before I do, I want to reassure Miss K that I've considered everything she has submitted and while I've summarised this complaint in far less detail than what has been provided, I want to stress that no discourtesy is intended by this. If there is a submission I've not addressed; it isn't because I have ignored the point. It's simply because my findings focus on what I consider to be the central issue in this complaint – that being whether NatWest is responsible for the loss Miss K has suffered.

In broad terms, the starting position in law is that a bank is expected to process payments that their customer authorises them to make. Here, it isn't disputed that Miss K knowingly made the payments from her NatWest account and so, I'm satisfied she authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of her account, NatWest are expected to process Miss K's payments, and she is presumed liable for the loss in the first instance.

However, taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for NatWest to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

So, the starting point here is whether the instructions given by Miss K to NatWest (either individually or collectively) were unusual enough to have expected additional checks being carried out before the payments were processed.

When considering this, I've kept in mind that NatWest process high volumes of transactions each day. And so, there is a balance for them to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate. I would therefore only expect NatWest to undertake additional checks if there was sufficient reason to suspect a customer might be at risk of financial harm from fraud – for example, if the instructions were unusual or out of character for the customer.

I've also reviewed Miss K's account statements, and I can't conclude that the payments made to the scam would have looked particularly unusual or suspicious to NatWest. Although I appreciate that the payments over £1,000 may have represented a lot of money to Miss K, it was simply not of a value where I'd usually expect NatWest to be concerned that she was at a heightened risk of financial harm. The payments were also spaced out across five weeks, rather than multiple payments in quick succession and not escalating in size – so weren't forming an obvious or known fraud pattern.

Having considered what NatWest knew about the payments at the time it received Miss K's instructions, I'm not persuaded they ought to have been particularly concerned about them. The amount of money Miss K sent, while I appreciate not an insignificant loss, doesn't in

itself suggest a heightened risk of fraud. Nor was it going to payees that carried a heightened fraud risk, instead it was going to accounts in her own name.

I've also considered that all but one payment was made to two genuine crypto providers and crypto carries a known fraud risk that NatWest ought to have considered as part of their requirements to monitor unusual patterns of account activity to prevent potential financial crime. But while crypto providers are sometimes used by scammers to defraud their victims, it's also used by many individuals to invest in crypto legitimately. Based on the amounts involved I wouldn't necessarily have expected NatWest to have carried out additional checks before processing the payments simply because they were going to a crypto provider. But rather, I would expect them to take steps to protect customers that are proportionate to the identifiable risk.

It follows that, while there are circumstances where it might be appropriate for NatWest to take additional steps or make additional checks before processing a payment, for the above reasons, I think it was reasonable for NatWest to assume the payments here were being made for legitimate crypto purposes. And so, I think it was reasonable for NatWest to process the payments upon receiving Miss K's instruction(s).

I've also considered whether, on being alerted to the scam, NatWest could reasonably have done anything to recover Miss K's losses, but I don't think they could. The only possible option for recovery here would've been for NatWest to have attempted a chargeback against the payee – that being the crypto providers. But this likely wouldn't have had any reasonable prospect of success. This is because the payments were for the purchasing of crypto which had been provided to Miss K – so she received the service she paid for. And the other payment had already been moved from the account in Miss K's own name. So, any attempt in this respect would've similarly been unsuccessful – but even if funds had remained, Miss K could've accessed these herself and quicker than any recovery attempt from NatWest.

I have a great deal of sympathy for Miss K and the loss she's suffered, as I appreciate it is a significant sum of money to her. But it would only be fair for me to direct NatWest to refund her loss if I thought they were responsible – and I'm not persuaded that this was the case. For the above reasons, I think NatWest has acted fairly and so I'm not going to tell them to do anything further.

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 C and Miss K to accept or reject my decision before 23 October 2025.

Israr Ahmed
Ombudsman