

The complaint

Ms M complains NatWest won't refund the full amount of money she lost to a scam.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

Ms M complains that she sent two payments from her account held with NatWest to what she thought was a legitimate investment. After making the payments, she realised she had been scammed. So, she logged a complaint with NatWest.

NatWest looked into the complaint and but didn't uphold it. Ms M remained unhappy. So, she brought her complaint to our service.

Our investigator looked into the complaint but didn't think it should be upheld. Ms M and her representative didn't agree with the investigator's view.

As no formal resolution could 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.

I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the significant part here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I've thought carefully about whether NatWest treated Ms M fairly and reasonably in its dealings with her, both when she made the payments and when she reported the scam, or whether it should have done more than it did. Having done so, I've decided to not uphold Ms M's complaint. I know this will come as a disappointment to Ms M and so I want to explain why I've reached the decision I have.

I've kept in mind that Ms M made the payments herself, and the starting position is that NatWest should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) she is presumed liable for the loss in the first instance. I appreciate that Ms M did not intend for her money to ultimately go to fraudsters – but she did authorise these payments to take place. However, there are some situations when a business should have had a closer look at the wider circumstances surrounding a

transaction before allowing it to be made.

Considering the relevant law and regulations; regulators' rules, guidance, and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time – NatWest should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and preventing fraud and scams.
- Have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which payment service providers are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- Have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so.

I have reviewed the payments Ms M made to the scam. Having considered when they were made, their value and who they were made to, I'm persuaded NatWest ought to have been concerned that Ms M may be at risk of financial harm when she made her first payment of £5,750 on 06 December 2023. This payment was for a significant value and going to a known cryptocurrency provider.

Given the value and identifiable risk of the payment at the time, I'm satisfied a proportionate intervention would have been asking Ms M a series of automated questions to get a better understanding of its purpose. I then would have expected NatWest to give Ms M an automated tailored warning relevant to the scam risk identified by her answers.

If I were to assume Ms M would have answered the questions accurately, the warning would have been specific to cryptocurrency scams. Here though I don't think it would have prevented the scam or Ms M making the payments, I'll explain why.

Ms M's other bank did intervene and speak to her before she went on to make the payments from her NatWest account that form this complaint.

Having looked through the intervention conversations, the advisors at Ms M's other bank are clear on several occasions that they think it's likely Ms M is being scammed. Ms M's representative has said that Ms M was confused by an earlier scam, and the advisors mention this. I've considered this point carefully, and whilst I agree both scams are mentioned, I'm satisfied the advisors are clear that the payments Ms M is trying to make are at risk and she is currently being scammed. Although Ms M agrees at one point with the advisor, she then makes the payments being contested here from her NatWest account.

The advisors also cover off some of the characteristics of a scam of this type (which is what I would have expected the warning from NatWest to do), including finding the opportunity through a social media platform, investing for high profit with no risk and not having access to make her own withdrawal – all of these were relevant to the scam Ms M fell for.

The advisor told Ms M to carry out her own research, which she said she did. From the research I've completed from the point in time Ms M made the payments, there are several reviews highlighting the fact the company Ms M was sending money to be a scam.

It's worth noting that even if I did think NatWest should've intervened or prevented Ms M from making any payments, whether it be by intervention, or the cryptocurrency sending restrictions, I'm convinced Ms M would've most likely found an alternative way to make them - probably by using a different bank account. I say this, as this is what happened when Ms M spoke to the advisor at her other bank, she then switched to making them from NatWest. Because of this, I don't think it can be reasonably concluded that NatWest is responsible for the loss Ms M suffered or would have been able to prevent this scam.

As the payments were sent to accounts in Ms M's own name, then moved on to the scammer, no recovery would have been possible by NatWest.

Ms M feels that NatWest should refund the money she lost due to the scam. I understand that this will have been frustrating for her. 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 pay Ms M any compensation. I realise this means Ms M is out of pocket and I'm sorry she's lost this money. However, for the reasons I've explained, I don't think I can reasonably uphold this complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 29 October 2025.

Tom Wagstaff
Ombudsman