

The complaint

Mr M complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED (NatWest) won't refund the money he lost as a result of a scam.

What happened

The background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr M was introduced by his brother-in-law to an investment firm that I will call "W". Mr M has said the communication with the scammer was professional and that the regular updates provided to him made him think it was a genuine investment.

Mr M said he sent one payment of £10,015.00 to W on 30 September 2020. He realised he had been scammed when he couldn't make a withdrawal and reported it to NatWest.

Mr M raised a complaint with NatWest. It investigated the complaint but didn't uphold it. It didn't think it had done anything wrong by allowing the payment to go through. So, Mr M brought his complaint to our service.

Our Investigator looked into the complaint but didn't uphold it. She didn't think the payment Mr M made was unusual and so she didn't feel NatWest should have identified a scam risk. She also sent a follow-up opinion on the complaint to advise that NatWest hadn't provided a warning to Mr M at the time of the transaction. However, even if it had, Mr M thought this was a genuine investment, and would likely have proceeded with the transaction.

Mr M didn't agree. He said, in summary, that the payment should have been considered as suspicious given its size and that an appropriate warning, had it been given, would have prevented his losses. He also thought that NatWest shouldn't have allowed the payment to go ahead as there was an FCA warning on W and that his transaction shouldn't be treated different because it was before 2023. He also explained that he was under pressure from individuals engaged in criminal activity and he wasn't in the right frame of mind when making the payment.

Mr M's complaint has now been passed to me for review and a 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 and the relevant submissions briefly, in much 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 heart of the matter here. As a consequence, 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 consider is the right outcome. Our rules allow me to do this, reflecting the informal nature of our service as a free alternative to the courts.

As such, the purpose of my decision isn't to address every single point raised. My role is to consider the evidence presented by the parties to this complaint, and reach what I think is an independent, fair and reasonable decision, based on what I find to be the facts of the case. For the avoidance of doubt, in doing so, I have carefully reviewed everything submitted by Mr M.

Mr M has provided us with very limited information on his involvement in this scam. For example, we only have a limited number of emails from W discussing the payment in question. But we haven't been provided with any evidence of the platform Mr M had been trading on or shown any information that the funds sent to the receiving account was a fraudulent one. I understand that Mr M may no longer have access to the platform but generally, I would expect to see some more evidence to link a disputed payment to a scam, before considering if NatWest should have done anything else to intervene on a payment.

However, I don't think this makes a difference to the outcome of Mr M's complaint, because I don't think an intervention from NatWest would have made a difference to Mr M's decision to invest. So, I'm going to proceed on the basis that Mr M did suffer a loss to the scam he's described.

In broad terms, the starting position in law is that a bank is expected to process payments and withdrawals that a customer authorises it to make. It isn't disputed that Mr M authorised the payment from his NatWest account. Therefore, under the Payment Services Regulations 2017 and the terms of his account, NatWest is expected to process Mr M's payment, and he is presumed liable for the loss in the first instance.

But in some circumstances, it might be appropriate for NatWest to take a closer look at the circumstances of a payment – for example, if it ought to be alert to a fraud risk, because the transaction was significantly out of character or suspicious. And if so, it should have intervened, for example, by contacting the customer directly, before releasing the payment. This is to help protect customers from the possibility of financial harm from fraud. But I'd expect any intervention to be proportionate to the circumstances of the payment.

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

NatWest have advised that Mr M was not shown a warning when making his payment. It has also advised that the payment didn't flag as suspicious. This could be because Mr M's account had some large value transactions around the time of the disputed payment so the payment may not have appeared suspicious. The Investigator also didn't think this payment was unusual.

International payments are less likely to be recoverable and so carry a higher risk, so arguably you could say a warning should have been shown to Mr M at the time. Mr M also insists that a warning about scams would have prevented his losses. However, I'm not persuaded that a warning, had it been given, would have made a difference to Mr M's decision to go ahead with the payment. Although I'm mindful there was an FCA warning indicating W was unauthorised, based on the evidence provided it appears Mr M was persuaded to invest for several reasons.

- Mr M advised that he was introduced by his brother-in-law to invest in W. His brother-in-law had done research and confirmed it was legitimate. He's also advised that he trusted his recommendation. Mr M's brother-in-law works in cyber security so I can see why he would have trusted his judgement.
- Mr M has also confirmed he carried out research on Companies House before deciding whether to invest.
- The scammer requested a significant amount of identification from Mr M which Mr M advises gave the impression that W was legitimate as it mimicked other professional companies. He's confirmed that W's website was professional looking and displayed testimonials sharing success stories and awards W had won.
- Mr M has described the communication with the scammer as "professional" which made him think he was dealing with a "credible entity".
- He's confirmed he was given access to a platform where he could monitor his investment. He also spoke with someone at W before deciding whether to invest. Mr M had said the person he spoke to was professional and forthcoming with answers.

Given how convinced Mr M was for the reasons I've mentioned above, I don't believe that a warning by NatWest would have broken the spell and stopped him from proceeding with the payment.

Mr M has raised some points around the standard of intervention expected from banks before and after 2023, and that a lower standard should not be applied to his case. A bank's requirement to identify and prevent fraud is constantly evolving so prevention tools will look far different to what they were several years ago. Scams are also constantly evolving so the fact that NatWest didn't recognise this payment as suspicious in 2020 isn't a reason to automatically uphold this complaint. Our service would still look at the wider circumstances around the payment to decide whether NatWest should have intervened. As explained above, this payment was unlikely to have stood out as suspicious. Additionally, a customer making some larger payments, is not uncommon, so I wouldn't have expected NatWest to intervene on a payment because of this. There's also a balance to be struck between identifying and proportionately intervening in payments that could potentially be fraudulent, and minimising disruption to legitimate payments (allowing customers ready access to their funds). And, as explained, even if a warning had been provided in the circumstances, on balance, I don't think it would have uncovered this scam.

I understand that Mr M was experiencing some difficult circumstances at the time he fell victim to the scam. I'm sorry to learn about this, but I can't say that NatWest was or should have been aware that he was vulnerable or made any special adjustments for him at the time the transaction was made.

I've thought carefully about NatWest's actions in attempting to recover Mr M's loss. It's first important to say that, in my experience, the prospect of recovering money that has been sent to another country is very low. The scam was not reported to NatWest for several months and usually scammers will remove funds within a short period of time to stop a bank from freezing the money.

NatWest reached out to the beneficiary account who advised it was unable to return any funds. NatWest attempted recovery on a best endeavours basis, so there's nothing further I would have expected it to have done.

To summarise, I'm sorry Mr M has lost money because of this investment. I'm also sorry about the information he's shared with us about how things have impacted him. But I don't think NatWest can fairly be held responsible for his loss. And so, I can't tell it to refund Mr M's money in this case.

My final decision

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 1 December 2025.

Aleya Khanom
Ombudsman