

The complaint

Mr R complains that National Westminster Bank Public Limited Company (NatWest) won't refund money he lost to a scam.

A representative who I will call "F" complains on behalf of Mr R.

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.

In 2023, Mr R was introduced to investing with cryptocurrency after he saw an advert on social media endorsed by a celebrity. Mr R carried out some research into the company and didn't find anything negative. He signed up and was given access to an online portal where he could see his investment growing.

Throughout July and August, Mr R made multiple payments from his account with NatWest, to accounts in his own name with three different financial providers. While he received early returns of £2,829.65, when Mr R wanted to withdraw more of his money, he was told he'd need to make further payments. It was at this point he realised he'd been scammed.

F complained to NatWest on Mr R's behalf. They considered NatWest should have intervened and invoked banking protocol, as the payments were out of character and had they done so, the scam could have been uncovered.

NatWest looked into what had happened and said the funds were made to Mr R's own accounts and therefore they weren't the point of loss. NatWest also said there were no concerns at the time on the validity of the payments.

F brought Mr R's complaint to our service. Our Investigator looked into everything but didn't think NatWest should refund the money Mr R lost. She said the payments were made to Mr R's own accounts and therefore not regarded as high-risk. While some warnings were presented, Mr R selected the payment purpose as sending money to his own account and therefore she couldn't see that NatWest missed opportunity to identify the payments were being made in relation to a scam.

Mr R didn't agree and so the complaint has been passed 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.

I'm 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 focused on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't

because I've ignored it, it's because 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 as it simply reflects the informal nature of our service as a free alternative to the courts.

I don't doubt Mr R has been the victim of a scam here – he has lost a large sum of money and has my sympathy for this given the circumstances. However, just because a scam has occurred, it does not mean that he is automatically entitled to a refund by NatWest. It would only be fair for me to tell NatWest to reimburse Mr R for his loss (or a proportion of it) if I thought they reasonably ought to have prevented all (or some of) the payments Mr R made, or that they hindered the recovery of them.

I've thought carefully about whether NatWest treated Mr R fairly and reasonably, both when he made the payments and when he reported the scam, or whether they should have done more than they did. Having done so, I've decided to not uphold Mr R's complaint. I know this will come as a disappointment to him and so I want to explain why I've reached the decision I have.

I have kept in mind that Mr R made the payments himself and the starting position is that NatWest should follow their customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) he is presumed liable for the loss in the first instance. I appreciate that Mr R didn't intend for his money to ultimately go to fraudsters – but he did authorise the 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.

Taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, along with the Consumer Duty, 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 Mr R to NatWest (either individually or collectively) were unusual enough to have expected additional checks to be carried out before the payments were processed.

From the information provided I can see that two payments were flagged by NatWest, one for £20 and one for £8,000. Mr R said the payment purpose was to move the money to his own accounts, and he was presented with a warning but chose to proceed.

While the payments were made into Mr R's own accounts before being moved to the scammer, I do accept that NatWest, arguably, could have intervened further, especially for the larger payments, to ask more about what they were for. I can also see the payments went into his account and back out in quick succession – which wasn't in line with Mr R's usual account activity, and that he used his pension and loans to fund the scam.

NatWest would also have been aware the payments were being made to EMI accounts and therefore would have been mindful of the risks of multi-stage fraud, where victims are instructed to move funds through one or more legitimate accounts and then on to a fraudster. I therefore accept they should have questioned Mr R before processing some of the disputed payments.

But even if further intervention had taken place, I'm not persuaded this would've prevented Mr R's loss. This is because from reading the conversations Mr R had with the scammer, he

was sadly it seems, very heavily under their spell, calling the scammer a reliable and kind person.

I note that a lot of the communication between Mr R and the scammer was over the telephone, but it is clear from the chat transcripts provided that Mr R was heavily led by the scammer. On 18 August Mr R claimed that things seemed too good to be true and that he was nervous. He voiced the doubts he had and even asked the scammer about a website he had found which, I assume cast some doubt in his mind. However the scammer was able to convince him to carry on making payments, guiding him on what to do.

This demonstrates that Mr R was willing to disregard clear concerns that the investment might not be genuine. It also shows that Mr R was clearly under the spell and to a degree whereby he was willing to follow the scammers' instructions regardless of the risk that he might lose his money.

I've also taken into account Mr R's interaction with his other account providers that carried out additional checks on payments that he made as part of the scam. And while I won't set out the specifics of those interactions here (as I've addressed it in the separate decisions against those firms), it seems he didn't provide accurate information when questioned about these other payments. Because of this, even if NatWest had intervened further, I consider Mr R would've acted in a similar manner – that being he wouldn't have provided an accurate account of why he was making the payments, and that he would've likely alleviated any concerns NatWest might have had.

In relation to the fact that Mr R took out loans and used his pension to fund this scam, I have considered this. But when doing so, I must note that the fact he was willing to fund the scam using loan and pension funds and provide inaccurate information to multiple firms demonstrates the lengths he was willing to go to make the payments. And so, I think it's more likely than not that he would've continued to withhold the true circumstances of the payments if questioned about the loans/pension and would have provided responses that would've reassured NatWest they were being made for legitimate purposes.

F also maintain that banking protocol should have been invoked. But while I accept NatWest should have done more here, I'm not persuaded that the banking protocol should have been invoked as it's more likely than not that Mr R would've reassured NatWest that the payments were for legitimate purposes and without any third-party involvement. Because of this, there wouldn't have been sufficient reason for NatWest to suspect Mr R was at risk of financial harm from fraud, thereby warranting banking protocol to be invoked.

Because I'm not persuaded that any intervention would have deterred Mr R from making the payments he did, I won't be asking NatWest to reimburse any of the funds lost. I know this will be a disappointment to Mr R, and I am so sorry to read of the situation the scammer got him into. But I don't think NatWest is responsible for his loss and so, it wouldn't be fair or reasonable for them to provide a refund.

Vulnerability

I've noted that Mr R has said that he was vulnerable at the time because of his caring responsibilities. However, I've not been provided with any evidence to suggest that this impacted his ability decision-making abilities. I've also not seen any evidence that NatWest were aware of this vulnerability. Nor do I think from the interactions between Mr R and NatWest that they ought to have ascertained he was vulnerable and therefore acted any differently.

Recovery

After the payments were made, I couldn't reasonably expect NatWest to have done anything further until Mr R told them he had been scammed.

NatWest weren't able to recover any of the funds as they were made to legitimate accounts in Mr R's name. As Mr R had control of those accounts, he could have returned the money himself.

Because of the above, I'm not persuaded NatWest could have successfully recovered Mr R's funds.

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 Mr R to accept or reject my decision before 24 October 2025.

Danielle Padden
Ombudsman