

The complaint

Mr K and Ms W complain about the actions of National Westminster Bank Public Limited Company when they lost money to a scam from a joint account.

Mr K and Ms W are being supported in making the complaint by a representative, but for ease, I'll only refer to Mr K.

What happened

The detailed 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.

Around late October 2022 Mr K was introduced to an investment merchant (scammer), I'll refer to here as T, through a professional network he was involved with. Mr K was provided with trading data and performance data for T by Hedge Fund Managers which he was satisfied with. He also had online meetings with T about the investment opportunity which would be trading in Gold, Forex and leveraged Gold-US Dollar pairs. Mr K had full visibility of the trades and was provided with a Due Diligence Questionnaire (DDQ) confirming the investment which legitimised the opportunity.

So, Mr K sent two £20,000 payments from his NatWest account to a new account he had set up with a payment service provider – I'll refer to here as D. He then forwarded the money from D to the United States and then to the scammer.

In the Autumn of 2022, Mr K was presented with another opportunity by a third-party – who I'll refer to here as Z - to invest in a business venture which would involve purchasing businesses and expanding them into larger ones to sell for profit. He was provided with a contract and spoke to individuals who had dealt with Z before. Mr K then decided to again send money from NatWest to D (£12,608.22). He then sent \$15,000 on 09 January 2023 to Z from D.

In March 2023 Mr K was told that T was then closing down, and his funds would be moved to another merchant. But Mr K was unable to withdraw his funds from the new merchant which is when he realised he had been scammed. He was then told Z that after receiving legal advice the structure of the business had to change and if people wanted their money back they could do so. But no money was returned to Mr K after he had asked Z to do so.

In November 2024 Mr K raised a complaint to NatWest. It reviewed the complaint but said it wouldn't be offering him a refund as it hadn't done anything wrong. Mr K remained unhappy, so he brought his complaint to this Service.

Our Investigator didn't think the complaint should be upheld. She said that NatWest didn't treat Mr K unfairly by not intervening on the payments here as he had made much larger payments on his account within the previous twelve months. So, she didn't think NatWest would've reasonably considered the payments sufficiently unusual or suspicious to intervene.

Mr K disagreed and asked for an Ombudsman's review. He said that he made two £20,000 payments in two days which should've been concerning to NatWest. He said NatWest should've intervened and if it had the scam would've been uncovered.

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.

Having done so, I've reached the same conclusion as our Investigator, and for largely the same reasons. I'm sorry to hear that Mr K has been the victim of a cruel scam. I know he feels strongly about this complaint, and this will come as a disappointment to him, so I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

It's common ground that Mr K authorised the scam payments of around £42,608. I accept that these were authorised payments even though Mr K was the victim of a scam. So, although it wasn't his intention to pay money to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of his account, Mr K is presumed liable for the loss in the first instance.

However, taking into account the law, 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 in order to help protect customers from the possibility of financial harm from fraud.

NatWest' first obligation is to follow the instructions that Mr K provides. But if those instructions are sufficiently unusual or uncharacteristic for the account, I'd expect NatWest to intervene and to ask their customer more about the intended transaction before processing it. I'd also expect NatWest to provide suitable warnings about common scams to help their customers make an informed decision as to whether to continue with the payment. There might also be cases where it's appropriate for NatWest to refuse to follow the instruction if there are good grounds to believe it is being made as a result of a fraud or scam.

So, the starting point here is whether the instructions given by Mr K to NatWest (either individually or collectively) were unusual in relation to his typical account activity. I've reviewed the account statements from the previous twelve months before the scam payments. The account was well maintained with the balance ranging from a few hundred pounds up to around £43,000 just before the first two scam payments were made in November 2022. I can see that Mr K would sometimes make larger payments with £14,750 sent on 20 September 2022 and a £76,438.80 payment made on 31 March 2022 for an investment.

So, in terms of the amounts that Mr K was sending here I don't think the value of the scam payments would've been considered unusual to NatWest. I've also noted that none of the scam payments drained the account of its entire funds. I can see Mr K sent two £20,000 payments across two days but even with these two payments added together they still aren't as large as the payment he made in March 2022. And by the time Mr K sent the third payment to D in December 2022 this was more than six weeks later. And that payment was for a smaller amount than he'd sent to D previously.

As a result, I don't think NatWest treated Mr K unfairly by not stopping the payments he made to D. I'm not satisfied they were sufficiently unusual or suspicious for it to have intervened.

Recovery

Because Mr K made the payments to an account he held with D before forwarding them to the scam, it wouldn't have been possible for NatWest to have recovered his money. As there were no funds remaining in the account with D which Mr K had control of anyway.

This is a difficult message for me to give as I know how strongly Mr K feels about this matter given the size of his loss. But given the evidence I have, and on the balance of probabilities, I'm unable to reasonably reach any other conclusion in the circumstances of this complaint. To be clear, I'm not blaming Mr K for the loss – it's ultimately the scammer who is to blame. But for the reasons I've explained above, I don't think he's been treated unfairly by NatWest.

So, taking everything into account, I don't think NatWest needs to take any further action.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K and Ms W to accept or reject my decision before 6 January 2026.

Mark Dobson
Ombudsman