

The complaint

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

Mr F is represented by a third-party claims firm, but I will refer to Mr F here.

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.

In summary, Mr F says that between July and November 2024 he was tricked into sending funds in connection to what he thought was an investment opportunity after meeting someone online. But it turned out to be a scam.

Mr F said he was encouraged by the scammer to start an online company where he would sell products. He was told he needed to deposit cryptocurrency from his NatWest account to pay for his goods. And that this needed to be transferred over to the scammer's platform. He set up a cryptocurrency exchange in order to do this. He saw that he was making profits when reviewing his account on the scammer's platform, so he thought this was a genuine investment.

Mr F realised he had been the victim of a scam when he had issues withdrawing his profits and the scammer became hostile. He has said he lost £17,950 as a result of the scam.

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

Our investigator looked into the complaint but didn't uphold it. He thought NatWest should have recognised that Mr F was at risk of financial harm when he attempted a payment on 9 September 2024, but he wasn't persuaded that an intervention by NatWest would have made a difference or uncovered the scam.

Mr F'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 sorry to disappoint Mr F, but I'm not upholding his complaint - for broadly the same reasons as the investigator.

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 F.

In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. NatWest is expected to process authorised payment instructions without undue delay. But in some circumstances a bank should take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transaction is unusual for the customer, or otherwise looks characteristic of fraud. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. But I'd expect any intervention to be proportionate to the circumstances of the payment.

NatWest didn't identify that Mr F might be at risk of financial harm from a scam when he made the disputed payments. So, I need to decide if the transactions were concerning enough that I would have expected NatWest to have had a closer look at the circumstances surrounding them. But I also need to keep in mind that banks process high volumes of transactions each day, and that there is a balance to be found between allowing customers to be able to use their account and questioning transactions to confirm they are legitimate.

I've reviewed Mr F's account statements, and I can't conclude that the payments made up until 9 September 2024 would have looked particularly unusual or suspicious to NatWest. The highest payment made in relation to the scam up until point was £1,850 but the majority of the transactions were under £800. These payments were relatively modest, so I can't say NatWest should have been particularly concerned about them or that they would have presented an obvious scam risk in value alone.

I've also considered the frequency of the payments. The scam payments were made over several months. The initial payments weren't increasing significantly in value so it would have been difficult for NatWest to identify that a scam was unfolding. And while there are known fraud risks associated with cryptocurrency, as scams like this have unfortunately become more prevalent, not all payments related to cryptocurrency are scam related. So, I wouldn't expect NatWest to intervene on a payment just because it related to cryptocurrency.

However, having looked at all the circumstances I think NatWest should have intervened on 9 September 2024 when Mr F attempted to make a payment of £4,200. This payment was for a significant amount and higher than all the other payments made by Mr F towards his cryptocurrency account. And when these payments were made, banks were aware that fraudsters had increasingly turned to cryptocurrency as their preferred way of receiving money across a range of different scams, including investment scams. So, NatWest should have known that this payment carried a heightened risk and should have been concerned that Mr F may be falling victim to a scam. Therefore, I would have expected it to take reasonable steps to warn Mr F at this point.

NatWest hasn't given us any information to suggest a warning was provided at the time, so I have thought carefully about what a proportionate warning in light of the risk presented

would have been in these circumstances. By September 2023, NatWest ought to have attempted to narrow down the potential risks Mr F may have faced by asking a series of automated questions designed to narrow down the type of cryptocurrency related scam risk associated with the payments he was making – and it should have provided a scam warning tailored to the likely cryptocurrency related scam Mr F was at risk from. This should have highlighted some of the common characteristics found in these types of scams.

However, I don't believe a warning would have impacted Mr F's decision to make the payments. Mr F was in a relationship with one of the scammers and had been talking to her for several months. He had been planning a future with her and had started to invest following her advice. He believed she was helping him towards the investment and working with him to withdraw his profits. When he had concerns with the investment, he discussed these with her and continued to make payments after she reassured him. So, on balance, I don't believe a warning would have impacted Mr F's decision to make the payments. It's clear that he'd placed a significant level of trust in the scammer and was under her spell. So even if NatWest had provided a warning highlighting the risks associated with an investment scam, I don't find that it would have resonated with him. And on balance, I believe he would have continued to make the payments.

Taking all of this into consideration, I don't think NatWest ought to have done more before following the instructions Mr F gave.

Recovery of funds

I've considered whether NatWest could have done anything to recover Mr F's payments once the scam was uncovered, but because the payments were sent to another account in Mr F's name, and then on to the scam, it wouldn't have been possible for NatWest to recover them

I realise this means Mr F is out of pocket, and I'm really sorry he's lost money. However, for the reasons I've explained, I don't think I can reasonably tell NatWest to reimburse him.

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 F to accept or reject my decision before 24 October 2025.

Aleya Khanom
Ombudsman