

The complaint

Miss I complains that National Westminster Bank Public Limited Company didn't do enough (as the recipient bank) to prevent her losing money to what she says was a scam.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. Miss I says a trusted friend introduced her to someone I'll refer to as 'F'. She says F traded in cryptocurrency for others and would keep a percentage of the profits generated. Miss I says she was told that investments were protected because F would use a 'stop loss'.

Miss I was added to a message group where trades would be discussed. Ultimately, Miss I made numerous payments to F's accounts with NatWest from her own account with another bank 'L'. The complaint response from L that she's shared records that she sent nearly £30,000 and received around £18,500 in return. The payments seem to have taken place between January 2022 and February 2023. I'll refer to the two NatWest accounts Miss I paid as 'Account A' (account number ending 677) and Account 'B' (account number ending 231).

In March 2023 Miss I says F told her she had made some poor decisions and the money was lost. Miss I now believes she's been a victim of a scam and she is seeking redress from the banks involved. NatWest didn't agree to provide a refund as they didn't think they'd done anything wrong and the matter was referred to our service. One of our Investigators didn't recommend that the complaint should be upheld. In summary she said she couldn't comment on the opening of one of the accounts (as it fell outside our jurisdiction). And for what she could consider, she didn't think there was enough evidence to support that this had been a scam, rather than an investment that had gone wrong or that NatWest reasonably could've done more. Miss I disagrees and has asked for an Ombudsman to review her complaint.

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 outcome as our Investigator and for similar reasons. I know this will be disappointing for Miss I, so I'll explain why.

Firstly, there is no automatic entitlement to a refund from NatWest for Miss I in these circumstances. And this would be the case even if it could be conclusively proved that F had scammed her. I could only make an award if there were failings by NatWest which had caused the loss or a part of it (or it was otherwise fair and reasonable that they should).

The Lending Standards Board's Contingent Reimbursement Model (CRM Code) is a potentially relevant consideration for this complaint. But that requires that a payment is made

as a result of Authorised Push Payment (APP) fraud. Here, for the reasons I'll come to below, I'm not persuaded that is the case. So I don't think the CRM Code can be used as a basis to require more from NatWest.

Our Investigator has already explained that we can't comment on the opening of account A under our jurisdiction rules. So I won't comment further on that. But account B was opened in 2021, which means I can consider it. NatWest took identity documents and say they conducted their usual checks when doing so. I don't think there was anything relating to the opening of the account which could fairly be said to have caused the loss to Miss I. Even if it is later shown that F was operating a scam, I don't think this is something NatWest reasonably could've known or predicted at that time.

I also agree with our Investigator that I'm not currently persuaded there is sufficient evidence to support that F intended to scam Miss I. The activity on both accounts supports that they were being used in line with what Miss I would've expected when making her payments. There are numerous payments to a platform on which cryptocurrency can be bought and traded. And there are similarly credits received back from the same platform, before they appear to be sent on, presumably to those (such as and including Miss I) who'd previously invested.

Indeed, throughout 2022, Miss I received around £18,000 back from F into her account. This doesn't lend weight to the idea that F's intention was to scam her. I find it more supportive of the position that F was doing as she said she'd do, which was investing on behalf of others and sharing the returns. And I've not seen anything further to support that the intention had changed in relation to later payments.

I acknowledge that there is an ongoing police investigation. But the conclusion of that is yet to be reached. And I don't think the police investigating the allegations made, is sufficient on its own to counter the evidence I've seen of how the funds were utilised, which I find more persuasive. In short, as I'm not currently persuaded I can fairly say this was a scam, then NatWest didn't have to intervene in the account and what were genuine transactions.

In response to our Investigator Miss I made further submissions which I've also considered. These include that she feels F misrepresented the level of risk to her which she says supports her argument. She also says that other 'victims' have received redress from various banks and so she doesn't think it's fair that she hasn't. I accept it is possible that F misrepresented the level of risk involved to Miss I. But that still wouldn't be conclusive that F's intentions when taking the money were dishonestly different to what Miss I expected. Similarly, whilst I can understand why she raises this point, other people having been refunded wouldn't obligate NatWest to do the same in this particular case. And I can't comment on other wider decisions that might've been taken, I'm limited to considering the specific circumstances of Miss I's complaint about NatWest.

But even if I'm wrong on the above point, and it could be shown to be a scam, I still don't think any reasonable level of intervention from NatWest would've uncovered the alleged scam or have made a difference to Miss I. If NatWest had questioned the activity, I think it's more likely than not that their accountholder would've been able to provide a plausible explanation and evidence that the payments were being spent in the way that had been agreed. This is particularly the case as some of the offerings from F also seemed to relate to education / training, not just investment for others. And even if this had gone to the point of NatWest asking L the purpose of Miss I's payments, she likely would've responded to confirm the agreement between her and F. As Miss I herself received significant returns over an extended period of time and had been personally introduced by a trusted friend who was already making money, I don't think such a query from her bank would've deterred her or prevented her from making further payments. Overall, I don't think there were account

monitoring failures by NatWest which can fairly be said to have caused the loss to Miss I, so I can't require them to do more on that basis.

I've also seen that the money Miss I sent had already been moved on before NatWest were on notice of her allegation. So, I don't think anything they did or didn't do at that point impacted whether a recovery could've been made.

I'm of course sorry to hear Miss I lost the money she did. But as I don't think this is something NatWest are responsible for, there isn't a reasonable basis upon which I can require them to do more to resolve this complaint.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss I to accept or reject my decision before 25 September 2025.

Richard Annandale
Ombudsman