

The complaint

S, a limited company, complains that National Westminster Bank Plc (NatWest) didn't do enough to prevent their losses from what they believe was a scam, when they sent money to a customer's account.

S have appointed professional representatives for this complaint, but for ease of reading I'll only refer to S and Mr W, who is a director.

What happened

In 2022 Mr W was looking to grow S' finances. He was introduced an individual who persuaded him to invest in two companies – one of which held an account with NatWest. Mr W sent four authorised push payments (APPs) to the NatWest account:

Date	Amount
10 October 2022	£15,000
25 October 2022	£12,000
23 December 2023	£60,000
3 January 2023	£60,000

Mr W expected S would receive a return on the investments in February 2023 – and S did receive some funds from the second company. But Mr W later came to believe that the entire investment was a scam. He contacted his bank to raise a scam claim, who in turn contacted NatWest.

NatWest looked into what happened but said they believed the funds were part of civil court proceedings. They said their policies and procedures were correctly followed and they did not accept any liability for the losses suffered.

Mr W then referred S' complaint to our service. One of our investigator's looked into what happened, but he wasn't persuaded that NatWest needed to do anything more. He wasn't entirely certain S had fallen victim to a scam. But said even if we accepted they had, the account with NatWest's customer was long-standing, and the receipt of payments of the value of S' wouldn't have prompted concern. He didn't see that NatWest had failed in their monitoring of the account, such that that would have prevented a loss to S.

But Mr W didn't agree with this, arguing that the director of the company had previous convictions for financial crime, and that NatWest had failed in their anti-money laundering obligations. But this didn't change the investigator's mind, so the complaint has been passed to me to decide.

I requested further information from both parties, that has now been received.

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 broadly the same conclusion as our investigator, and I'm not persuaded that it would be reasonable for NatWest to refund S. I appreciate Mr W will find this disappointing, but I'll explain why.

Firstly, S doesn't have a direct relationship with NatWest. The complaint is based on funds sent from S' own bank to a NatWest account, which Mr W now believes was part of an APP scam. This means it falls within the remit of our service to investigate and decide upon. But it's also important to note that NatWest don't owe S any duty of care. As this complaint largely relates to the activity on a third-party account, I'm not able to share as much information as I would like to. But I'd like to assure both parties I've considered all the available evidence carefully and weighed the evidence on both sides.

NatWest's original decline was down to this dispute being involved in court action – although Mr W has said there was no dispute in court, and the references provided by NatWest's customer don't seem to correspond to a case I can find record of. When asked NatWest couldn't provide any further information. So, I think NatWest could have done more to verify this information.

But I'm not persuaded that it's clear this was a scam from the outset. S' own bank thought it was likely a civil dispute. The NatWest customer has been active as a company for over 25 years, albeit with different ownership through that time. NatWest have said they hadn't had any other fraud reports in that time.

Mr W has said there is publicly available information that one of the directors has prior convictions for financial crime. But there is no specific legal or regulatory requirement for NatWest to not provide accounts on that basis – it's largely down to their own risk appetite. Just as it would be information for S to consider when deciding to invest. I'm also aware that S has received most of the funds invested in a partner enterprise of NatWest's customer, which doesn't seem usual if the intent from the beginning was to defraud S.

That said, S doesn't appear to have received a return on the funds paid to the NatWest customer. So, I'm not completely disregarding the notion that something untoward happened here. However, being the victim of a scam isn't the only deciding factor in whether it would be reasonable for NatWest to reimburse S. I would also need to be persuaded that NatWest reasonably should have done more here, that would have prevented a loss to S.

NatWest, like all regulated financial businesses in the UK, have an obligation to monitor accounts and payment activity for signs of financial harm – such as fraud and money-laundering. These obligations mean that if a transaction, or series of transactions, looks out of place or high risk they may choose to take a closer look at what's happening. What they decide to do would need to be proportionate to the perceived risk.

But having reviewed the statements of the NatWest customer's account, I'm not persuaded that the transactions in from S would have prompted significant concern. The account had been used to regularly receive, and send, funds of around this value previously. And given this was a business account, it would be expected to receive large and irregular payments from time-to-time. In the absence of any other concerns about these payments – for example a name mismatch – then I don't see that NatWest would be reasonably expected to intervene. And even if they had done so and asked their customer as to their entitlement to the funds, then they would have been able to provide the paperwork related to the payments.

But the time Mr W came to believe S had been scammed, S' funds had been utilised. Mr W has commented that the account subsequently closed – although I understand this wasn't a result of the fraud claim from S.

I don't see that NatWest's decision to decline to reimburse S was unreasonable. I know Mr W feels very strongly S has been the victim of a scam. But here I'm not satisfied that NatWest have done anything unfair or unreasonable, and they do not need to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask S to accept or reject my decision before 8 January 2026.

Thom Bennett
Ombudsman