

The complaint

Mr and Mrs C complain that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY won't refund the money they lost as the result of scam.

Mr and Mrs C have been represented in their complaint by a firm of solicitors.

What happened

The background to this complaint is well known to the parties, so I'll simply summarise it here.

Briefly, a friend of Mr C's told him about an investment he'd seemingly been making good returns on, and recommended it to Mr C. Mr C searched online for the company his friend had mentioned. He clicked on a link and opened the website of a company which I'll refer to as "P". Mr C says the website looked highly sophisticated and legitimate. He made an enquiry and a broker contacted him. Mr C then opened an account on P's trading platform. Unfortunately, the supposed broker ultimately turned out to be a scammer, and I'll refer to them as "the scammer" in this decision, even though I appreciate that Mr C didn't realise that's what he was dealing with at the time.

Mr C made two payments by debit card from the current account he held jointly with his wife as part of the investment. Mr C's wife is a party to this complaint because the account is in joint names. But from the submissions and evidence provided, it seems that it was Mr C who made the payments, and I'll generally refer just to Mr C in this decision, to keep things simple.

	Date	Merchant	Amount
1	11 March 2025	D	£7,769.40
2	14 March 2025	D	£9,290.08
		Total	£17,059.48

Mr C has told us that he communicated with the scammer by email and WhatsApp. He says he was also involved in several calls and video meetings in which the investment process was explained. He says the scammer kept in frequent contact with him, and sent him information about his trades and investments. And he says that when he logged on to his account with P, he could see his trades making profits and losses, which reinforced the appearance of legitimacy.

Mr C was able to withdraw £266.72, which reassured him further. But the scammer started pressuring him to deposit more, and Mr C realised he'd been scammed when he found he was unable to make any further withdrawals. He reported the scam to NatWest on 9 April 2025.

NatWest flagged the first payment Mr C made to the scam from the current account, and it spoke to Mr C on the phone on 11 March 2025, before processing it. The call handler was satisfied with the answers that Mr C gave to her questions, and released the payment.

One of our investigators considered the complaint, but didn't think it should be upheld. In summary, she thought that the questions NatWest asked Mr C about payment 1 hadn't gone far enough. But she didn't think it likely, on balance, that better questioning would have put Mr C off going ahead. And she didn't think NatWest could have recovered the money for Mr and Mrs C.

Mr and Mrs C disagreed with the investigator's view, so the complaint's been passed to me.

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.

First, I'm aware that I've set out the background to this complaint in less detail than the parties and I've done so using my own words. I'm not going to respond to every individual point made by the parties. No discourtesy is intended by this. Instead, I've focussed on what I think are the key issues here.

Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've ignored it. It's just that I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

I was sorry to hear that Mr and Mrs C fell victim to a cruel scam. I have sympathy for them, and I don't underestimate the impact this will have had. My role here is to decide whether it's fair and reasonable to hold NatWest responsible for their loss.

I'm sorry to disappoint Mr and Mrs C, but having thought carefully about what both they and NatWest have told us, I've reached the same conclusion as the investigator, and for similar reasons.

It isn't in dispute here that the payments weren't covered by the Lending Standards Board's Contingent Reimbursement Model (CRM) Code. This is because the code doesn't cover payments made by card.

In broad terms, the starting position in law is that NatWest is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of the customer's account. Here, it's not disputed that Mr C made and authorised these payments, although I accept that when he did so, he didn't think his money was at risk. But that's not the end of the matter.

There are circumstances, irrespective of the payment channel used, where it might be appropriate for a bank to take additional steps, make additional checks, or provide additional warnings before processing a payment, to help protect its customers from the possibility of financial harm from fraud.

In deciding what's fair and reasonable, I'm required to take into account relevant law and regulations, regulators' rules, guidance, standards and codes of practice and, where appropriate, what I consider to have been good industry practice at the time. Taking those things into account, I think that at the time the payments were made, NatWest should have been doing the following to help protect its customers from the possibility of financial harm:

- monitoring accounts and payments to counter various risks, including fraud and scams;
- keeping systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things) – especially given the increase in sophisticated fraud and scams in recent years, with which financial institutions are generally more familiar than the average customer;
- acting to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring that all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, regardless of the payment method used, taking additional steps, or making additional checks, before processing a payment, or, where appropriate, declining to make a payment altogether; and
- being mindful of - among other things – common scam scenarios, how fraudulent practices were evolving (including, for example, the common use of multi-stage fraud by scammers) and the different risks these can present to consumers when deciding whether to intervene.

Mr and Mrs C's current account statements show frequent substantial payments going in and out of the account, and payments of the size that Mr C made to the scam weren't unusual. But in this case, as I've said above, NatWest's systems flagged the first payment Mr C made from the current account as a potential fraud risk and NatWest spoke to Mr C before processing the payment. I've listened to the call.

NatWest asked Mr C about the purpose of the payment, and he told it he was buying shares. He confirmed, when asked, that nobody had asked him to make the payment, or coerced him into doing so. He also confirmed that he'd made a payment to the same retailer before. When the call handler asked Mr C whether he was aware that the payment was in a foreign currency, he confirmed that he was, and he explained that the payment wasn't going to P itself, but to a third party.

I think NatWest could have asked more open and probing questions when it spoke to Mr C. It could, for example, have asked about how he came across the investment opportunity, what research he'd carried out into P before he started investing and what returns he'd been led to believe he could expect. And it could have outlined the way investment scams typically work.

But the fact that I'm not satisfied that NatWest asked Mr C sufficiently probing questions about the payment doesn't automatically mean that I think it should refund the payments or pay compensation to Mr and Mrs C. I can only fairly hold NatWest responsible for their loss if I think that proportionate intervention on its part would have prevented that loss.

Mr and Mrs C's representatives have commented that it is a "*fundamentally speculative position*" to conclude, as the investigator did, that stronger intervention by NatWest wouldn't have prevented the loss. And they've said that "*Any conjecture about how [Mr C] might have responded to an intervention is unsubstantiated and irrelevant to the core issue that the bank did not intervene adequately*". But to uphold the complaint, I'd need to be satisfied both that NatWest did something wrong *and* that this caused the loss. While the way Mr C might have reacted to a better intervention might be irrelevant to deciding whether NatWest did something wrong in the first place, it's central to the question of whether any such deficiency on NatWest's part can be said to have caused Mr and Mrs C's loss.

Where, as in this case, the evidence is incomplete, inconclusive or contradictory, I make my decision on the balance of probabilities. In other words I decide what it's more likely than not happened, or would have happened, based on the available evidence and surrounding circumstances. This necessarily involves a degree of speculation.

There was extensive back and forth between Mr and Mrs C's representatives and the investigator after the investigator sent out her views on this complaint and the linked complaint. I've paid full regard to everything that Mr and Mrs C's representatives said during that exchange. But I'm not persuaded, on balance, that Mr and Mrs C's loss would have been prevented even if NatWest had asked Mr C the sort of detailed, probing questions I consider it should have done about the payments.

I accept that an appropriate level of questioning would likely have revealed that some of Mr C's communication with the scammer was on WhatsApp. But Mr C has told us that he also had several phone conversations and attended video meetings about the investment. And I think that even if NatWest had told him that scammers often communicate with their victims using WhatsApp and other messaging platforms, the fact that Mr C had had video calls and seen presentations about the investment would more likely than not have reassured him.

Mr C has explained that he'd known the friend who introduced him to the investment for thirty years. The friend was longstanding and trusted, and he told Mr C that he'd been making good returns on his investment. I think this would have added to Mr C's conviction that the investment opportunity was legitimate.

Of course, I can't be absolutely sure what would have happened if NatWest had probed Mr C in as much detail as I think it ought to have done about the investment. And I acknowledge that it's possible that a phone conversation between NatWest and Mr C would have sown seeds of doubt in Mr C's mind. But even if he'd gone on to look further into P, I don't think he'd have found anything to cause him serious concern.

I acknowledge that the Financial Conduct Authority published a warning about P, but that wasn't until May 2025, a couple of months after Mr C made the payments to the scam.

Taking everything into account, I'm not persuaded, on balance, that a warning about investment scams would have resonated strongly enough with Mr C to put him off making the payments.

Could NatWest have done more to recover Mr and Mrs C's money?

I've considered whether NatWest could have made a successful chargeback claim on Mr and Mrs C's behalf. Chargeback isn't an automatic right, and banks don't have to raise a claim where there isn't a reasonable prospect of success. In this case, I think it's unlikely that Mr and Mrs C would have been able to provide the evidence needed to make a successful chargeback claim – such as invoices, evidence of a promised delivery and proof of attempts to resolve the issue with the merchant. So I don't think NatWest acted unfairly or unreasonably in not pursuing a chargeback on Mr and Mrs C's behalf.

I'm sorry to disappoint Mr and Mrs C. I realise that they lost a significant amount of money. But for the reasons I've set out, I'm not persuaded that I can fairly hold NatWest responsible for their loss.

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 Mr and Mrs C to accept or reject my decision before 7 January 2026.

Juliet Collins

Ombudsman