

## **The complaint**

Mr C complains about the actions of NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (“NatWest”) after he was the victim of a scam.

## **What happened**

The background to this complaint is well known to the parties, so I’ll simply summarise it here. Briefly, Mr C says he saw an advert on social media for an investment opportunity. Unfortunately, the investment ultimately turned out to be a scam and I’ll refer to “the scammers” in this decision, even though I appreciate that Mr C didn’t realise that’s what they were at the time.

Mr C’s told us that he understood from the advert that if he sent money to the scammers, they would invest it on his behalf and would then return the money to him after a week or so. He says the scammers never explained to him how profits would be made on the investment. And he says he was told to send the funds in a particular foreign currency for tax reasons.

Over the course of three and a half months from late January to mid-May 2024 Mr C made 69 payments from his NatWest account to the scam by debit card. The payments totalled £33,796, and ranged in value from £10 to £1,603.99.

NatWest spoke to Mr C on the phone on 23 March 2024. By then, Mr C had made 17 payments to the scam, ranging from £20 to £503.99. Seven of those were to a named individual’s account on a well-known payment platform. The rest were to an account Mr C held at an established money transfer service. NatWest’s notes include a record of a further phone call with Mr C on 5 April 2024. I’ll consider what was said in those calls below.

In June 2024 Mr C’s account was switched to another bank, from which he continued to make payments to the scam. When that bank closed his account, he opened an account with a third bank and, again, continued to make payments to the scam. He eventually stopped making payments after he lost confidence that he’d make returns from his investment.

One of our investigators considered the complaint, but didn’t think it should be upheld. In summary, he said he thought NatWest had acted reasonably in processing the payments and in not intervening further. And he didn’t think it could have recovered Mr C’s money.

## **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'd like to say straight away that I was sorry to learn that Mr C fell victim to a cruel scam. I don't underestimate the impact that being taken advantage of in this way will have had on him, and I have sympathy for him. I've considered complaints that Mr C has brought against the other two banks from which he made payments to the scam separately. In this decision, I'm considering whether I can fairly hold NatWest responsible for any of his loss.

I'm sorry to disappoint Mr C, but having done so, I've reached the same conclusion as the investigator, and for similar reasons.

I've borne in mind that from 25 March onwards, Mr C received multiple payments from third parties into the account, totalling around £28,000 which he's confirmed were connected to the scam. So the overall loss from the payments made to and from his NatWest account in connection with the scam is closer to £6,000. I acknowledge that's still a lot of money, but the amount that Mr C lost is very much less than it would appear to be if the payments he received from other people aren't taken into account.

Mr C authorised the payments, although I accept that when he did so, he didn't think his money was at risk. NatWest had an obligation to follow the payment instructions it received. This means that the starting point is that Mr C is presumed liable for his loss. But that's not the end of the story.

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.

There's a balance to be struck. Banks have obligations to be alert to fraud and scams and to act in their customers' best interests. But they can't reasonably be involved in every transaction. So I've considered what NatWest knew about the payments.

Mr C generally used his account for day-to-day spending. I can see from his statements that the payments he made to the scam were higher than he typically made from the account. But they weren't so high that I think that NatWest ought to have been concerned about them based on their size alone. And the credits I've referred to that Mr C received into his account from 25 March onwards meant that in spite of the payments Mr C was making to the scam, his account remained largely in credit.

I've listened to the call between Mr C and NatWest on 23 March 2024. The call handler commented that Mr C had made several recent payments to the transfer service and payment platform, and asked Mr C what the payments were for. He explained that he was sending money to family overseas. He said he'd sent money to them before and confirmed that nobody was asking him to make the transfers. Mr C then went on to describe his links to his relatives overseas in some detail and said he was hoping, among other things, to build a house.

NatWest's notes of the phone call on 5 April 2024 say that Mr C again gave a detailed story about the payments being to family overseas and what specific purposes they were for. They say that NatWest told Mr C that the payments he was making followed typical scam patterns, but Mr C reiterated what he'd said about the reason for the payments, and said that he had no concerns about them.

I realise that based on what Mr C has told us, what he told the call handler was untrue. Mr C hasn't been able to provide all his messages with the scammer, but I think it likely that he was firmly and clearly instructed not to tell NatWest what the payments to and from his account were for. And whether on the scammer's instructions or of his own initiative, he came up with explanations to NatWest for the purposes of the payments. I think he sounded confident and convincing.

I've also borne in mind that the scam that Mr C was caught up in was atypical of investment scams, most of which don't involve frequent large payments into the victim's account, such as those Mr C was receiving. With no indication that Mr C was involved in what he thought was an investment, I don't consider that it was unreasonable of NatWest not to warn Mr C specifically about common features of investment scams, and I don't think it did anything wrong by processing the payments without intervening further.

Even if NatWest had pressed the point and stressed further to Mr C that it was concerned that he was the victim of a scam, I don't think it's likely it would have made a difference. It seems to me that Mr C was so convinced that the investment opportunity was genuine that it's more likely than not that he'd have found a way to continue to make the payments anyway – as he did from his accounts with other banks after his NatWest account was closed.

I've thought about whether NatWest could have done more to recover Mr C's money. Mr C made the payments by debit card. There's a scheme called "chargeback" which deals with disputes between card issuers and merchants. 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, some of the payments were made to Mr C's account at a legitimate transfer service, and the money was then sent on from there. So the transfer service provided the service it was meant to provide – the money was transferred to the intended recipient. In the circumstances, I'm satisfied that a chargeback claim would have been unlikely to have any reasonable prospect of success. And by the time Mr C told NatWest he'd been the victim of a scam, the money would almost certainly have been moved from the third-party accounts he sent the money to.

I'm sorry that my decision will come as a disappointment to Mr C. I do feel for him, but I can only require NatWest to refund the money he lost if I think it ought reasonably to have prevented the loss. And in this case, for the reasons I've set out, I don't think NatWest can fairly be held responsible for Mr C's 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 C to accept or reject my decision before 2 January 2026.

Juliet Collins  
**Ombudsman**