

The complaint

Mr M complains National Westminster Bank Public Limited Company ("NatWest") hasn't refunded funds he says he lost as the result of a scam.

What happened

Both parties are familiar with the circumstances of the complaint, so I'll only summarise the details here.

Mr M said a scammer tricked him into investing £36,000 in a cryptocurrency investment scam in 2021. Mr M said he made payments to a known cryptocurrency provider and from there he deposited his cryptocurrency on to a scam platform. Mr M said the scammer showed him how the platform operated, and it displayed fake profits encouraging him to invest further. Communications between Mr M and the scammer show they were giving him advice on the investment. Mr M explained he was able to withdraw funds without issue.

Mr M complained to NatWest, and his complaint wasn't upheld. Unhappy with NatWest's response, he raised the matter with the Financial Ombudsman Service. One of our Investigators considered the complaint and also didn't uphold it.

As an agreement could not be reached, the complaint has been passed to me for a final 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 M further but I'm unable to uphold his complaint, for broadly the same reasons as our Investigator, I'll explain why.

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 they also have long-standing responsibilities to help protect customers from financial harm from fraud and scams. Those responsibilities are however predicated on there having been a fraud or scam. And so, it would only be reasonable for me to consider whether NatWest is responsible for the loss Mr M claims to have suffered if, indeed, he has been scammed and lost funds as a result of that scam.

I'm satisfied on balance that Mr M made payments from his NatWest account to purchase cryptocurrency using an account in his own name and that he was messaging someone regarding his investments. He's provided evidence of the scam platform, but this doesn't contain any of Mr M's identifying details such as his email address, his name or his phone number. I also don't have cryptocurrency statements to show he moved the funds from his account to the scam platform. Typically, I would like to see more persuasive evidence that a customer has been scammed and lost funds as a result of that scam. However, as it doesn't

make a difference to the outcome, I've proceeded on the basis Mr M lost funds to the scam as he's described.

In broad terms, the starting position at law is that banks and other payment service providers are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

Mr M authorised the payments in question here – so even though he was tricked into doing so and didn't intend for his money to end up in the hands of a scammer, he is presumed liable in the first instance.

But as a matter of good industry practice, NatWest should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: as while banks and Electronic Money Institutions should be alert to fraud and scams to act in their customers' best interests, they can't reasonably be involved in every transaction.

I've also thought about the Contingent Reimbursement Model which NatWest is a voluntary signatory of. The code doesn't cover payments to purchase cryptocurrency, nor does it cover payments made to an account in the customer's name and so the code isn't relevant here.

I've thought about whether NatWest acted fairly and reasonably in its dealings with Mr M when he made the payments, or whether it should have done more than it did. In doing so I've considered what NatWest knew about the payments at the time it received his payment instructions and what action, if any, NatWest took prior to processing the payments.

NatWest has provided evidence that says it spoke with Mr M more than once regarding payments related to the scam however due to the passage of time since the payments were made hasn't been able to further evidence all interactions with Mr M. It has provided a call between Mr M and NatWest when he attempted to make a payment of £4,200 on 24 October 2021.

I've listened to the call and in summary Mr M confirms he is making the payment himself. NatWest explains his payment is being held as it seemed unusual as it has seen other customers make similar payments and lose money to a scam they believe to be genuine. Mr M comments he made a payment the day before for £5,000 which the advisor confirms, and a payment before that when Mr M spoke with one of their colleagues.

Mr M is told if after their conversation the payment is sent and it turns out to be a scam the money isn't likely to be recovered, and Mr M says he knows. Mr M confirms the payment is to purchase cryptocurrency via a well-known provider. When asked how he heard about using cryptocurrency he said from a good friend who's made a lot of money from it. He says he's known the friend for around ten years and trusts their opinion, which we know wasn't the case. When asked if he's carried out the relevant checks, he says he has and told NatWest he can withdraw his investment at any time and has received funds. The advisor mentions other payments Mr M has made and he confirms them. Mr M is given scam education and authorises the payment.

In October 2021, when the payment was made, I would have expected a general scam warning from NatWest and given the other recent transactions I can see why NatWest intervened directly with Mr M. I think the intervention was proportionate to the risk the payment presented. It was being made to a well-known cryptocurrency provider, to an account Mr M had control over and Mr M telling NatWest he had heard about the

cryptocurrency investment from a good friend that he trusted and had known for a decade didn't cause NatWest to be suspicious. I think it was reasonable for it to process the payment in-line with his instruction to do so.

It's clear from the call I have that NatWest spoke with Mr M previously and while I don't have any other calls, and it could be argued that NatWest ought to have intervened directly prior to processing other payments, I don't think Mr M would have answered NatWest's questions differently such that it would have uncovered the scam. I therefore don't think it's fair to hold it liable for his losses.

Recovery

I've thought about whether there's anything else NatWest could have done to help Mr M — including if it took the steps it should have once it was aware that the payments were the result of fraud.

Mr M made the payments to an account in his own name with a legitimate cryptocurrency provider. It seems he got the cryptocurrency he paid for and said he moved the funds on to the scam platform; in these cases, there isn't much prospect of recovery and so I don't think NatWest could have recovered his losses.

I'm sorry to disappoint Mr M further, but I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think NatWest needs to refund Mr M's money or pay any compensation. I realise this means Mr M is out of pocket and I'm really sorry he's lost this money. However, for the reasons I've explained, I don't think I can reasonably uphold this complaint.

My final decision

My final decision is that I do not uphold this complaint against National Westminster Bank Public Limited Company.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 18 December 2025.

Charlotte Mulvihill
Ombudsman