

The complaint

Mr K complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ('NatWest') as the receiving bank, could've prevented the loss he suffered as the result of a scam.

What happened

In May 2022, Mr K sent £25,000 to an account held with NatWest. Mr K believed he was investing in gold and would receive an annual return. I'll refer to the company Mr K paid as D.

D went into liquidation and Mr K believes he's been the victim of a scam.

Mr K raised a fraud claim with NatWest saying they should be liable for his loss because:

- They allowed the beneficiary account to be opened.
- They didn't question the activity on the account
- They didn't safeguard his funds when the scam was reported.

NatWest declined to refund Mr K saying no error had occurred. NatWest explained they were limited in what information they could share with Mr K as he isn't entitled to information about the beneficiary's account.

Mr K wasn't happy with NatWest's response, so he brought a complaint to our service.

An investigator looked into Mr K's complaint but didn't uphold it. The investigator wasn't satisfied that Mr K suffered his loss as the result of a scam, so they didn't feel NatWest were liable.

Mr K disagreed with the investigator's opinion and asked for an ombudsman to review his case. Mr K raised the following points:

- He was told his funds were 100% safe, but they haven't been returned.
- If it's not a scam, why have there been reports from others to their bank and the police.
- There is no evidence that his funds were used for the intended purpose.

Having reviewed the case, I reached the same overall answer as the investigator but for different reasons. So, I issued a provisional decision explaining why and giving both parties a chance to respond before a final decision was issued.

My provisional decision

In my provision decision I said:

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

NatWest are a signatory of the Contingent Reimbursement Model (the CRM Code). This sets out what is expected of the 'sending firm' and 'receiving firm' when payments are made or received. NatWest are the receiving firm in this complaint.

The CRM Code says the receiving firm should "take reasonable steps to prevent accounts from being used to launder the proceeds of APP scams. This should include procedures to prevent, detect and respond to the receipt of funds from APP scams. Where the receiving Firm identifies funds where there are concerns that they may be the proceeds of an APP scam, it should freeze the funds and respond in a timely manner."

It's important to note that NatWest has shared information with our service, which I can't share due to data protection issues as it relates to a third party. However, I have taken it into account in reaching an answer on this complaint.

Account opening process

I would expect NatWest to take reasonable steps to prevent accounts from being opened for fraudulent purposes, by having robust processes and checks in place in relation to opening new accounts.

From what I've seen, NatWest have followed its internal processes and completed relevant due diligence checks before opening D's account. They have shared with us the checks they completed, and the information obtained about D and its directors. I haven't seen any information obtained during those checks which would've suggested to NatWest that the account may be later used for fraudulent purposes. So, I'm satisfied that NatWest acted reasonably in opening D's account.

The activity on D's account

I've also considered whether NatWest should've been on notice that D was potentially carrying out fraudulent activity, or had concerns, based on the activity on D's account.

While I can't share the details of what I've seen, I'm not satisfied there was activity on D's account which should've caused NatWest concern, whereby I would've expected them to have intervened or meant that they missed an opportunity to prevent Mr K's loss.

Did NatWest act responsibly once made aware of Mr K's scam claim?

When NatWest is notified that an account has received a credit resulting from an APP scam, I'd expect it to take appropriate action in a timely manner. This includes blocking or restricting the account while it investigates and, where appropriate, returning any funds that remain.

Unfortunately, by the time Mr K reported the fraud, his funds had already been removed from D's account. So, no funds could've been recovered.

I can understand why Mr K wants to know details of what happened to the money, but he isn't entitled to that information.

I'm really sorry to disappoint Mr K as he's lost a significant amount of money. But I'm not satisfied that I can fairly hold NatWest liable as the receiving bank or ask them to refund him.

My provisional decision was that I didn't intend to uphold this complaint.

Responses to my provisional decision

Neither party has responded to my provisional decision which expired on 18 November 2025.

Under the Dispute Resolution Rules (found in the Financial Conduct Authority's Handbook), DISP 3.5.14 and 3.5.15 say, if a respondent and a complainant fail to comply with a time limit, the ombudsman may proceed with the consideration of the complaint.

As the deadline for responses to my provisional decision has expired, I'm going to proceed with issuing my 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.

With no new evidence or arguments provided, I see no reason to reach a different conclusion than I reached in my provisional decision.

In summary, I'm satisfied that NatWest acted reasonably in opening and monitoring D's account. And, by the time Mr K reported raised a scam claim with his bank, the funds had already been removed from D's account, so no funds could've been recovered.

Overall, I'm not satisfied that I can fairly hold NatWest liable for Mr K's loss.

My final decision

My final decision is that I don't uphold this complaint against NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 17 December 2025.

Lisa Lowe
Ombudsman