

The complaint

Mrs M complains that National Westminster Bank Public Limited Company (NatWest), won't refund the money she lost to an investment scam.

What happened

There is limited information on the scam.

In summary, Mrs M saw an investment opportunity on social media and, as she needed some additional income to pay for property damage, she got in touch with a lady (the scammer) and paid her approximately £1,000. The date and payment details haven't been provided but this appears to be through a well-known global online payment company – Company P. Mrs M was promised a return on her investment of approximately £35,000 and, in and around June 2025, the scammer told her that she needed to pay release fees to receive the £35,000.

On 27 June 2025, Mrs M called NatWest to pay a £700 release fee. NatWest became concerned that it was a scam and wouldn't process it. As Mrs M was concerned about the money she had already invested and appeared to still want to make the payment, the NatWest agent told her a specialist would call her back within two hours.

Mrs M didn't receive a call from a specialist, and:

- On the same day she made two card payments of £350 via Company P.
- As Company P didn't pay these amounts (the reason is unknown) they provided her with a refund and Mrs M made another card payment, via her Company P account, for £702.99 on 8 July 2025.

Mrs M didn't receive the £35,000 and the scammer said she needed to pay more money to release the supposed profit. So, on 8 July 2025, Mrs M called Company P and NatWest to report a scam.

On 13 August 2025, Mrs M made a further payment to the scammer for £300.

Mrs M later sought a refund from NatWest for £1002.99 in respect of the £702.99 and £300 payments. NatWest declined this and said she should contact Company P who paid the scammer.

Mrs M complained to NatWest holding them responsible due to her not receiving a call from a fraud and scam specialist.

NatWest accepted they didn't call Mrs M back on 27 June 2025 but didn't accept responsibility for her loss.

Mrs M is dissatisfied with their response, and she escalated her complaint to our service. However, our investigator didn't think NatWest were liable for her loss.

As Mrs M remains dissatisfied, her complaint has been passed to me to look at.

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, although I'm very sorry to hear that Mrs M has been the victim of this very cruel investment scam, I'm not upholding this complaint. I'll explain why.

I should first say that:

- Although I've read and considered everything Mrs M and NatWest have said, I won't be responding to every point individually. If I don't comment on any specific point, it's not because I've not considered it but because I don't think I need to comment on it in order to reach the right outcome.
- In making my findings, I must consider the evidence that is available to me and use it to decide what I consider is more likely than not to have happened, on balance of probabilities
- I'm satisfied that the APP Scam Reimbursement Rules, introduced by the Payment Systems Regulator in October 2024, for customers who have fallen victim to an APP scam, don't apply to payments made by card and to another account under the control of the customer.
- Unfortunately, there was no realistic prospect for NatWest to recover her funds. This is because Company P paid the funds to the scammer, after Mrs M's paid them by card, so they would've likely been immediately taken. And, as explained by our investigator, a chargeback wouldn't have been possible as it was a fraud and Company P had provided the requested service.
- The Payment Services Regulations 2017 (PSR) and Consumer Duty are relevant here.

PSR

Under the PSR and in accordance with general banking terms and conditions, banks should execute an authorised payment instruction without undue delay. The starting position is that liability for an authorised payment rests with the payer, even where they are duped into making that payment. There's no dispute that Mrs M made the payments here, so they are considered authorised.

However, in accordance with the law, regulations and good industry practice, a bank should be on the look-out for and protect its customers against the risk of fraud and scams so far as is reasonably possible. If it fails to act on information which ought reasonably to alert a prudent banker to potential fraud or financial crime, it might be liable for losses incurred by its customer as a result.

Banks do have to strike a balance between the extent to which they intervene in payments to try and prevent fraud and/or financial harm, against the risk of unnecessarily inconveniencing or delaying legitimate transactions.

So, I consider NatWest should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks such as anti-money laundering and preventing fraud and scams.
- Have systems in place to look for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks and building societies are generally more familiar with than the average customer.

- In some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.

Consumer Duty

Also, from July 2023, NatWest had to comply with the Financial Conduct Authority's Consumer Duty which required financial services firms to act to deliver good outcomes for their customers. Whilst the Consumer Duty does not mean that customers will always be protected from bad outcomes, NatWest was required to act to avoid foreseeable harm by, for example, operating adequate systems to detect and prevent fraud. Also, look out for any signs of vulnerability.

As NatWest spoke to Mrs M when she first tried to pay the scammer and accept that they should've called her back within two hours, I considered:

- If the agent she spoke to should've done more to protect her from financial harm.
- What would've happened if a specialist had called her back.

From listening to a call recording, I found that the agent was convinced it was a scam, and she explained the promised high return was both highly suspicious and unrealistic. When Mrs M said '*how do you know (it's a scam) if we don't give them an opportunity*' the agent reiterated it was likely a scam and told Mrs M she could lose her money. At that point Mrs M's focus appeared to switch to recovering the money she had previously paid. Considering this and the fact that the supposed return was so high for an approximate £1,000 deposit and that she thanked the agent, the agent's warning appeared to resonate with her.

However, as Mrs M had initially had an open mind and was still saying she needed her money back, there appeared to be a risk that she would pay the scammer. So, I think the agent's actions, to not allow the payment and request a specialist speak with Mrs M to be correct.

If a specialist had called Mrs M back, I think they would've had a similar conversation and would've asked her for information on the advisor or broker, the trading platform and the checks Mrs M had completed.

Based on the limited and vague information (on the calls and subsequently provided), I think it unlikely that the agent would've been able to complete any checks about the company (whilst on the call) to strengthen what Mrs M had already been told about there being a high likelihood that it was a scam. So, I think a specialist would've repeated the previous agent's warnings, strongly advised her not to make any payments, explained and highlighted the importance of due diligence checks and ensured no payments could be made to the requested payee.

I don't think an agent would've restricted Mrs M's account including payments to Company P. This is because the warnings were strong, Mrs M was already worried (as she had a problem with her card) about not being able to buy food and she said she didn't want to use Company P.

I noted that Mrs M went on to pay the £702.99 on 8 July 2025, after receiving refunds from Company P for the two split payments of £350. It's unclear why Company P did this and whether they rejected the payments due to fraud or scam concerns.

Also, importantly, when Mrs M was convinced it was a scam (immediately after the £702.99 payment) and reported a scam to NatWest and Company P she said she wasn't going to pay any more money but she continued to do so (paying a further £300 on 13 August 2025).

Regarding the two payments to Company P for £350 and the subsequent payments to them for £702.99 and £300, I wouldn't have expected NatWest to have intervened on these. This

is because they were all relatively low amounts, there was no obvious scam pattern with them being spaced out and as mentioned above banks have to balance when to intervene and can't be expected to question every payment.

Also, although I recognise NatWest were aware that Mrs M had a mobility vulnerability, I don't think this was a reason to intervene on the payments she was making.

I in no way blame Mrs M for making the payments as scammers are very cunning and she was tricked into believing she may have possibly gained a huge amount of money. However, when considering her actions, after receiving strong warnings, and then her own belief that she was being scammed, I don't think there was anything NatWest could've done to prevent her loss. So, as much as I genuinely empathise with Mrs M's loss and appreciate it is a significant amount for her, even if NatWest put in place further interventions I don't think they would've been able to prevent Mrs M's loss.

I can understand Mrs M's disappointment at not receiving promised calls from NatWest. However, as mentioned above, I don't think they would've made a difference here and when considering the impact, I think NatWest's issuance of an apology to be reasonable.

So, I'm sorry to disappoint Mrs M but having considered the above and all the information on file, I'm not upholding this complaint against NatWest.

My final decision

For the reasons mentioned above, my final decision is that I'm not upholding this complaint against National Westminster Bank Public Limited Company.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 20 January 2026.

Paul Douglas
Ombudsman