

The complaint

Mr B has complained National Westminster Bank Public Limited Company is holding him liable for a £33,000 loan taken out as the result of a coercive scam.

What happened

In September 2023 Mr B took out a personal loan from NatWest for £33,000. This loan was granted and the funds credited Mr B's NatWest account on 1 September. Within a fortnight Mr B had spent all these funds by sending these to a cryptocurrency account.

Around that time Mr B complained to NatWest. They confirmed they believed he'd made this loan himself and should continue to make repayments. Mr B generally made the repayments which are costing him more than £800 per month.

At the end of 2024 and the beginning of 2025 Mr B was unable to make further repayments. He complained again to NatWest. They confirmed they continued to expect Mr B to make repayments. This was confirmed in a final response dated 20 March 2025. Unhappy with this outcome, Mr B brought his complaint to the ombudsman service.

Our investigator reviewed the detail about the loan application and Mr B's evidence that he'd been coerced into taking out the loan. She believed the data provided by NatWest showed that the loan was applied for by Mr B and he then made use of the funds, so although she was sympathetic to Mr B's situation, she wasn't going to ask NatWest to do anything further.

Distressed at his situation, Mr B has asked an ombudsman to consider his complaint. He's argued:

- This loan was taken out "*under coercion, misrepresentation and remote-access manipulation*".
- He's been a longstanding victim of scams since 2020, and NatWest were well aware of his vulnerability and took no action.

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, I've reached the same conclusion as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

Existing consumer credit legislation requires a credit provider to show that a credit account was properly opened.

The evidence provided by NatWest is clear on this aspect. Mr B submitted an application for a home improvements loan (which is a well-known scam loan tactic). Whilst Mr B has shown that at times the scammers used remote access software to manipulate what was happening, all the personal details are Mr B's and, based on what I know about Mr B's history, I am sure he was aware that this loan was being applied for.

What's also key here is that the funds were not used immediately. Generally, I'd have expected any scam to ensure that Mr B transferred these funds as quickly as possible. The scammers couldn't be certain at what stage Mr B would realise this was all a scam, so they'd want the funds to be transferred as quickly as possible.

This isn't what happened here. Mr B transfers funds to another of his accounts as well as making transfers to his crypto account. These payments of different values happen over a period of nearly a fortnight.

So I'm satisfied that Mr B made the loan application himself and then had access to his own funds to make payments from his current and other accounts.

I have considered Mr B's personal situation and what he must have been going through at this time. I'm aware from Mr B's history with our service that this wasn't the first time Mr B transferred money following being a victim of a scam. He initially lost a considerable amount of funds in 2020 and another bank repaid half of his losses. In 2022 Mr B was conned into paying out further funds as a way of recovering his earlier losses. These payments which happened over a month December 2022 to January 2023 totalled over £140,000. Mr B lost this money as we wouldn't ask NatWest to refund him.

I'm sorry to see that Mr B fell for a scam for a third time.

I agree with Mr B that NatWest should have been aware of his vulnerability. They'd been party to his complaint to our service in 2023 which was resolved around the time of this scam.

Mr B is obviously prone to scams. NatWest will have noted payments to a crypto account from 30 August 2023 so before the loan application was made. There's no history of them intervening. I can see that Mr B would have been unlikely to be stopped as he'd already fallen for the same scam before and received booklets and information about how to avoid being the victim of a scam. That said, I still believe NatWest missed an opportunity to intervene.

As I can see Mr B missed repayments of his loan around this time last year, I do expect NatWest to consider Mr B's financial situation and ensure they're doing all they can to provide him with a suitable repayment plan.

I've not changed the outcome of this complaint as I'm not instructing NatWest formally, but I do expect them to take note of my findings.

My final decision

For the reasons given, my final decision is not to uphold Mr B's complaint against National Westminster Bank Public Limited Company.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or

reject my decision before 9 March 2026.

Sandra Quinn
Ombudsman