

The complaint

Mr M complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY (NatWest) will not reimburse funds he says he lost to a scam.

Mr M is professionally represented, but for ease I have only referred to Mr M within my decision.

What happened

The details of this complaint are well known to both parties so I will not repeat them all again here.

In summary, Mr M was introduced to an investment opportunity with a firm I'll refer to as "Y" by his son who also invested with the same firm. And between September and October 2022 he made several payments to Y totalling £12,000. He reported the matter to NatWest when Y announced it had placed a block on withdrawals, but NatWest did not reimburse the money he lost.

Our Investigator did not uphold the complaint. He didn't think the payments carried a heightened risk of harm from fraud or a scam. Our Investigator also didn't think they would have appeared unusual for Mr M.

Mr M did not accept our Investigators opinion, he thinks there were clear indicators of a scam and NatWest should have recognised signs of a multistage scam.

As an agreement could not be reached, the complaint has been passed to me to decide.

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.

Not every complaint referred to us in relation to an investment is in fact a scam. I think it is important to highlight that investments tend to carry a level of risk. Some complaints that we see involve high-risk investments that resulted in disappointing returns or losses, and at times the loss is substantial. While some investments may be sold using sales methods or have terms and conditions that customers think are unfair or misleading, that doesn't always amount to fraud. Although there are several negative reviews regarding the firm. And I accept something went wrong in the agreement between Mr M and Y, there is limited information available indicating that Y was fraudulent at the time and intended to defraud Mr M from the outset.

Even if I were to be satisfied the payments were made as result of a scam, I'm not persuaded NatWest could have prevented the loss Mr M experienced. I'll explain why.

Taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, NatWest should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial

harm resulting from fraud.

Even so, I think it is important to also highlight that there are many payments made by customers each day, and it is not reasonable to expect the bank to stop and check every payment instruction to try to prevent fraud or financial harm. There's a balance to be struck in the extent it intervenes in payments to protect customers, without causing unnecessary disruptions to legitimate payment instructions.

The payments were not identifiably cryptocurrency related. And there were no published warnings regarding this firm online or elsewhere that NatWest ought reasonably to have been aware of at the time.

I accept that Mr M had a large deposit into his account before he began to make the payments towards the investment, but I don't think that in itself is enough to raise fraud concerns. It is common for customers to take out a loan and to make several payments using these funds.

When considering Mr M's typical spending, I don't find the payment would have appeared unusual or uncharacteristic and triggered NatWest's fraud prevention systems. I say this because Mr M had a history of debits that were similar in value and some that were larger than the disputed transactions. The payments were not made in quick succession, rather there was minimally a day between each payment he made. And when considered in the context of the vast number of payment instructions NatWest receives daily, I don't find the payments were of such significant value to have raised suspicion and to warrant intervention.

Even if I thought NatWest should have intervened (which I do not), I could only reasonably expect it to provide a general written warning. However, the circumstances surrounding the payments were not typical of an investment scam; Mr M was introduced to the investment by his son, who seemed to have had early success with the investment. Therefore I'm not persuaded a general warning would have resonated with Mr M.

Mr M told us he was vulnerable at the time he made the payments as he was under financial strain as a result of his partner's health challenges. I'm sorry to hear of the difficulties Mr M faced, however I cannot see that he informed NatWest about his circumstances and I do not find there was sufficient information available that might have indicated to NatWest that he might be vulnerable and at greater risk of falling victim to a scam.

As the scam was not reported to NatWest until several years after he made the payments, I find there were no real prospects of recovering the funds Mr M lost.

I appreciate that Mr M has been left out of pocket as a result of what happened, but for the reasons outlined above, I cannot fairly or reasonably hold NatWest responsible for the loss he incurred.

My final decision

For the reasons set out above, 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 M to accept or reject my decision before 9 April 2026.

Oluwatobi Balogun
Ombudsman