

The complaint

Ms C is complaining about National Westminster Bank Public Limited Company because it declined to refund money she lost as a result of fraud.

What happened

Sadly, Ms C fell victim to a cruel investment scam after responding to an advert she found online. Once in contact with the scammers she was set up with an account on a fake platform where she was able to view trades being made and profits generated. She later realised it was a scam when she wasn't able to withdraw her money.

In making her complaint, Ms C has referred to the following transfers from her NatWest account to her account with another bank:

No.	Date	Amount £
1	24 April 2025	7,500
2	25 April 2025	10,000
3	28 April 2025	5,000

It's my understanding that the money was then moved from the second bank to an account with an electronic money institution (EMI) that was also in Ms C's own name. And that the money was then transferred from the EMI to an overseas account from where it appears the money was lost.

Ms C complained to the second bank but it didn't uphold her complaint and she hasn't referred it to us. The EMI did uphold Ms C's complaint and refunded a portion of some of the payments lost to the scam. The complaint about the EMI has been referred to us and I've addressed that in a separate decision.

Our investigator didn't recommend the complaint be upheld. He noted that Ms C didn't provide truthful answers when she was asked about the payments she was making and didn't feel further intervention by the bank would have stopped her from wanting to go ahead.

Ms C didn't accept the investigator's assessment and made the following key points:

- Her authorisation of the payments wasn't informed and she was under sustained psychological manipulation by professional scammers. Her consent to the payments shouldn't be treated as valid.
- The fact she was sending money to her own account doesn't negate the fraud risk. The nature of the payments, including their size and frequency should have elevated the perceived risk and triggered concern, especially as they were funded by loans.
- The investigator placed too much weight on shortcomings in her own due diligence and research.

- To conclude further intervention by the bank wouldn't have stopped her making the payments is speculative and her coached responses shouldn't be seen as evidence to support that view.
- Some of the money she lost was part of an inheritance. This is a one-off sum that can't be replaced and its loss has had a lasting financial and emotional impact.

The complaint has now been referred to me for review.

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 overall conclusions as the investigator. Ms C has provided extensive submissions in response to the investigator's assessment and I confirm I've read these carefully. I haven't necessarily commented on every single point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

In the context of this complaint, an '*authorised*' payment is essentially one where the customer gave the bank an instruction to make a payment from their account. In other words, they knew money was leaving their account, irrespective of where that money actually went. There's no dispute that Ms C took the steps necessary to make these payments. I appreciate she was deceived by the scammers when she did so, but I don't think there's evidence to support the conclusion that she was somehow incapable of making her own decisions or that NatWest should have been aware that could be the case. So I'm satisfied the payments were authorised.

In broad terms, the starting position at law is that a bank is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

NatWest also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether NatWest acted fairly and reasonably in its dealings with Ms C.

The payments

I must take into account that many similar payment instructions NatWest receives will be entirely legitimate. I also need to consider its responsibility to make payments promptly.

NatWest has explained that in the case of each transfer it asked Ms C in the app to confirm the purpose of the payment and showed a tailored written warning based on the answer she

gave. Unfortunately, it no longer has a record of Ms C's answers, but in view of what we know she gave when asked about the payments on other occasions – which I'll return to later – I think it's very unlikely she'd have said she was making an investment.

Having considered what NatWest knew about payment 1 at the time, I'm not persuaded it ought to have been particularly concerned. It was going to Ms C's own account with another UK bank and it was an account she'd transferred money to before on a number of occasions. While this payment was larger than her previous transfers and funded by a loan, I don't think this should have been seen as particularly unusual or concerning.

Payment 2 was for a larger amount made only the following day and was also funded by a loan. But again, it was going to an account with another UK bank that she'd used previously without any issues being reported and I don't think it would be particularly unusual for a customer to move the proceeds of a loan to another account before using it for its intended purpose. In the circumstances, I think NatWest's approach of asking the purpose of the payment and showing a warning based on the answer given was a reasonable and proportionate response to the risks it presented.

It's unfortunate that these written warnings don't appear to have resonated with Ms C. But that's not to be unexpected if she didn't say she was making an investment - and all the evidence I've seen suggests she wouldn't have disclosed this – as the warnings would have been about other types of unrelated scam.

By the time of payment 3, Ms C's third similar payment in only five days, I find that NatWest should have identified she was at risk of harm from fraud. At this point I think it needed to go further and that an appropriate response would have been for the bank to find out more about the circumstances surrounding the payment, most likely by speaking to her on the phone.

While I don't think NatWest went as far as it should have to question payment 3, to conclude any part of it should be refunded I'd also need to be satisfied a more robust intervention would have stopped Ms C from going ahead. I've considered this point carefully and reached a conclusion on what I think would most likely have happened based on the balance of probabilities.

The evidence I've seen indicates Ms C wouldn't have told NatWest the money was ultimately destined for investment or otherwise provided accurate information in response to its questions. I say this for the following reasons:

- During a call with a NatWest on 10 April about a payment of £4,000 she attempted to send straight to the EMI in connection with the scam, Ms C told the agent she'd shortly be travelling and needed access to money in various currencies. She also said she hadn't been speaking to anyone else about the payment.
- Her second bank has provided evidence that it also asked about some of the payments Ms C sent to the EMI in connection with the scam. Again, rather than disclosing that the money was for an investment, she said she needed it for travel spending.
- When applying for the loans that funded some of her payments to the scam, the lenders have all confirmed that Ms C incorrectly stated the purpose of the loan was '*home improvements*'. One of them also says it spoke to her on the phone and she specifically said the money would be used on her kitchen, sitting room, and possibly the garden.

- The history of Ms C's text chats with the scammers indicates she was in contact with them at the time she was making various payments to the scam and was taking advice on how to answer the questions she was being asked. By her own admission, Ms C was coached by the scammers and I think it's unlikely they'd have told her to say she was making an investment as they would have known that could lead to the scam being uncovered.

The success of any fraud intervention by a bank depends to some extent on the customer being truthful about the payments they're making. As I've said, I think the evidence indicates Ms C wouldn't have disclosed she was making an investment if she'd been asked about payment 3 on the phone. And I don't think there was anything particular about it that should have prompted the bank to identify that was the case unless it was told. So, in the circumstances, I don't think it's reasonable to conclude NatWest failed because it didn't realise Ms C was falling victim to an investment scam and provide specific, tailored warnings that might have opened her eyes to that fact.

Even if NatWest had somehow identified the payment was likely linked to an investment scam, I don't think it's clear that Ms C would have been persuaded of this and decided not to go ahead with the payment. In making her complaint, the solicitors that originally represented her set out in some detail what was described as '*several compelling reasons*' why she was convinced the scheme was genuine. These included that:

- she carried out due diligence online and found only positive reviews that portrayed the platform as credible and trustworthy and suggested that others had successfully engaged with it and were satisfied with the results;
- the scammers cleverly mentioned high-profile figures, leveraging their names to lend credibility and prestige to the scheme;
- the scammers also established frequent and friendly communication, which helped build rapport and foster trust; and
- the scammers told her about their investment successes and this served to reinforce the notion that the scheme was genuine and lucrative.

So it appears Ms C was heavily under the influence of the scammers. I think this is further evidenced by the chat history provided that appears to show she was being closely guided through the process of making various payments. The representative also referred to Ms C's previous experience of trading activities, saying this meant she '*felt somewhat confident in navigating investment prospects*'.

It's for these reasons that I don't believe further intervention by NatWest is likely to have been successful in opening Ms C's eyes to the scam and preventing further losses. And even if the bank had gone further and declined the payment altogether, which I don't think was necessarily warranted in this case, I think it's likely Ms C would have found another way to send her money to the scammers as she did when the payment to the EMI was declined on 10 April, after which she instead transferred the money to her account with the second bank and moved it to the EMI from there.

I want to be clear that it's not my intention to suggest Ms C is to blame for what happened in any way. She fell victim to a sophisticated scam that was carefully designed to deceive and manipulate its victims. I can understand why she acted in the way she did. But my role is to consider the actions of NatWest and, having done so, I'm not persuaded these were the cause of her losses.

Recovery of funds

Ms C isn't due any refund under the industry's reimbursement scheme for authorised push payment (APP) fraud as these payments were sent to another account in her own name. NatWest could only try to recover money from this account and it appears the money had already been moved on by the time she reported the scam a few weeks later. And if not, anything that was left would still have been available for her to access. In the circumstances, I don't think anything that NatWest could have done differently would likely have led to her money being recovered successfully.

In conclusion

I recognise Ms C has been the victim of a cruel scam and I'm sorry she lost this money. I realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I don't think any further intervention by NatWest would have made a difference to the eventual outcome and I won't be telling it to make any refund.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 9 April 2026.

James Biles
Ombudsman