

The complaint

Mr and Ms R complain that National Westminster Bank Plc (NatWest) didn't do enough to protect them when they made a payment to an investment they now say is a scam.

What happened

Mr and Ms R made a payment of £20,000 in March 2018 to invest in an overseas property development scheme. They now consider this was a scam and NatWest should've done more to protect them at the time they invested.

Mr and Ms R complained to NatWest about the payment, but it didn't uphold complaint. They then came to our service, but our investigator also didn't uphold the complaint.

Mr and Ms R, via a representative, asked for a final decision. They said the payment was out of character for Mr and Ms R and NatWest should've questioned them before processing the payment, which would've indicated they were falling victim to a scam.

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.

I've considered longstanding regulatory expectations and requirements, and what I consider to be good industry practice. In line with this, NatWest ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I have reviewed Mr and Ms R's account and the £20,000 payment they're now reporting as a scam. Having considered when it was made; its value in comparison to the general account activity; and who it was made to, I'm not persuaded NatWest ought to have found it suspicious, such that it ought to have made enquires of Mr and Ms R before processing it.

I accept the payment went to a new payee, but it wasn't out of character for Mr and Ms R's account. Mr and Ms R sent a payment of £40,000 in December 2017 and two payments of similar value to the disputed one in January 2018. And sending money to a new payee in itself doesn't mean a payment should automatically be treated as suspicious, particularly when there are no other concerning factors about the payments.

I have then considered whether there are any ways NatWest could have recovered Mr and Ms R's money, but I don't consider it could have. Mr and Ms R reported the payment a number of years after they made it, and while NatWest attempted to recover their funds from the receiving account, no funds remained.

Whilst I accept Mr and Ms R have lost out from making this payment, I don't find there were any failings on NatWest's part that would lead me to uphold this complaint

My final decision

For the reasons set out above, I don't uphold Mr and Ms R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R and Mr R to accept or reject my decision before 18 December 2024.

Amy Osborne
Ombudsman