

The complaint

Ms M holds a current account with National Westminster Bank Plc. She was the victim of a romance scam whereby a scammer pretended to enter into a relationship with her. The relationship was fraudulent and the scammer persuaded Ms M to send him just over seven thousand six hundred pounds from her NatWest account.

Ms M wants NatWest to refund her all or some of the money she sent to the scammer.

What happened

The scammer contacted Ms M through social media. He quickly built up her trust and persuaded her that he wanted a long-term relationship. He created a convincing story that he was a soldier with the US army on active service in a remote part of the Middle East. He gained her confidence and persuaded her to send him money in four different payments, for which he gave highly plausible reasons.

In outline, the four payments were as follows:

Date	Amount	Method of payment	Scammer's justification
10 April 2017	£700.00	Ms M withdrew cash from a NatWest branch and used a payment agent to send the money.	A delivery fee to allow him to send some gold to Ms M.
20 April 2017	£2,833.62	Ms M transferred the money from a NatWest branch.	To pay for travel and leave from the army.
21 April 2017	£2,843.81	Ms M transferred the money from a NatWest branch.	A further payment for travel and leave from the army as the first one had been lost.
10 May 2017	£1,227.53	Ms M transferred the money from a NatWest branch.	A further payment for travel.
Total	£7,604.96		

In each case, the scammer gave Ms M a detailed justification. I have only provided a brief summary here, but I'm satisfied that the scammer was extremely convincing and credible throughout and tricked Ms M into believing him. All three transfers went to overseas bank accounts and used NatWest's "urgent" process, which transfers money particularly quickly.

I previously sent Ms M and NatWest a provisional decision on this complaint. In that provisional decision, I explained that although Ms M had endured an awful experience at the hands of the scammer, for which she had my heartfelt sympathy, I didn't think it would be fair for me to tell NatWest to refund her any of the money she lost. However, I said that I would give both Ms M and NatWest the opportunity to comment before I made a final decision.

The time I allowed for comments has now passed. NatWest has not sent us anything further about the case, but Ms M has made quite a few comments about my provisional decision and still thinks NatWest owes her a refund.

Before I explain what I have finally decided and why, I will provide an extract from my provisional decision, which explains my findings up to that point. I will then provide a summary of Ms M's comments.

Extract from my provisional decision

The core facts of this case are not in dispute. The point of disagreement is that Ms M believes NatWest should have spotted that something was wrong and stopped her making the payments and that as it didn't, it should refund her all or some of the money she lost; whereas NatWest thinks it behaved reasonably throughout and does not need to give Ms M any money back.

There is no doubt that Ms M followed NatWest's normal procedures when she made the payments. The cash withdrawal seems to have followed the standard *over the counter* process and Ms M also followed normal banking procedures for the three transfers. I fully accept that she only did this because of the fraudulent actions of the scammer, but she effectively authorised NatWest to make the payments. Frauds of this type are often called *Authorised Push Payment (APP)* frauds.

While banks are normally expected to act on their customers' instructions, APP fraud is a significant concern in the banking industry and at the time of Ms M's payments, I would have expected NatWest to be looking out for unusual payments, or unusual patterns of payments. And if it saw anything worrying, I would have expected it to check with the customer concerned before proceeding. This is directly relevant to Ms M's complaint as NatWest did

make some checks, but the critical question is whether they were sufficient and timely in the circumstances.

In outline, although some of the information I have is contradictory, events seem to have unfolded along the following lines:

- NatWest did not make any significant challenge over the cash withdrawal.
- NatWest *may* have checked if Ms M was “*happy*” about the first transfer but didn’t ask any probing questions about it.
- NatWest made two interventions over the second transfer. One of its tellers made the first intervention before processing the transfer. In outline, it seems the teller warned Ms M that she may be falling victim of fraud, but she was still confident the scammer was legitimate and told the teller to go ahead. Later the same day, Ms M returned to the bank on other business and a manager called her into a private room to tell her again that it looked like she was being scammed.
- NatWest did not make any significant challenge over the third transfer.

It seems the scammer totally entranced Ms M. After the second transfer, he contacted her to reassure her he was genuine. He asked for the third transfer which he said would help him travel to the UK to meet her. Ms M was uncertain but has told us she agreed to make the third transfer as she was “*anxious to know one way or another whether or not the scammer was genuine*”.

Clearly, NatWest did not make any meaningful intervention for the cash withdrawal and the first transfer. But these were different types of transactions. There was no pattern. And although they were large, they were not noticeably exceptional. I do not think I can reasonably say that NatWest should have intervened more strongly at that stage. Furthermore, given the strength of the scammer’s hold over Ms M, I think it’s highly likely that if NatWest had intervened, she would have told it to go ahead.

I certainly think NatWest was right to intervene at the time of the second transfer. I think it behaved correctly in calling Ms M into a private room. Arguably, it should have done this on her first visit of the day, and I’m not sure why it didn’t. However, again I think Ms M would still have told it to go ahead with the payment. I have also considered if NatWest should have called the Police at this stage, but I think that given Ms M’s determination to go ahead, such a call would not have been appropriate or effective.

I do think NatWest should have intervened for the third transfer. However, as Ms M has told us that she wanted to make this payment as a kind of test to help her decide between the scammer’s claim that he was genuine and NatWest’s concerns that he may have been a scammer, I doubt NatWest could have stopped her proceeding.

Once Ms M was aware of the fraud, I would also have expected NatWest to try to get her money back from the receiving bank. Clearly this would not have been possible for the cash withdrawal, but it can also be difficult for transfers as fraudsters often *move money on* quickly once they receive it.

Ms M seems to have discussed recalling the money with NatWest either soon after or during her meeting with the branch manager. I have seen some records from NatWest from the

time and I'm satisfied that it acted promptly to try to recover the money. It was unsuccessful, as the scammer had moved the money on, but I think it acted reasonably.

I'm not sure when Ms M told NatWest she had decided the third transfer was fraudulent and how NatWest acted to try to recover the money for her. She's told us that shortly after she made that transfer, the scammer told her he was on his way to the airport to travel to the UK to meet her. She's said that at the time she was "*excited*" about this. It seems he called her again a bit later to say that he couldn't board his flight because he had been detained at the airport. Ms M has said that a day later he asked for more money and at this point she realised he was a fraud. I think it's highly likely that by that time the scammer would have moved the money on again. So, even if Ms M had reported the fraud at that time and NatWest had acted immediately to try to recover the money for her, I doubt it would have been successful.

Ms M's response to my provisional decision

In response to my provisional decision, Ms M has told us that she thinks NatWest's interventions were "*weak*" and "*washy*", that "*liability should be placed at (NatWest's) feet*" and that it should "*bear some financial obligation*" for her losses. She has also said specifically that if NatWest had called the Police for the second transfer, she "*would not have made any further payments*".

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 fully accept the sincerity of Ms M's comments, but they do not change the underlying facts, context and conclusions in my provisional decision. I consider the extract above is still correct.

The gist of Ms M's new comments is that if NatWest had been more forceful in its interventions, she would have realised she was being scammed and not sent the fraudster any further money. I did consider the question of more forceful interventions in my provisional decision, but as they are at the heart of Ms M's new comments I have re-examined them carefully for each transaction.

For the cash withdrawal and the first transfer, I provisionally decided that it wouldn't have been reasonable for me to say that NatWest should have intervened more strongly at those stages. Ms M has not made any specific comments about these transactions and my view has not changed.

For the second transfer, I considered whether NatWest should have called the Police, but I doubted that such a call would have been appropriate or effective. Clearly there were two parts to this. The first (appropriacy) was whether NatWest had sufficient grounds to ring the Police and the second (effectiveness) concerned whether a call to the Police would have worked in stopping the scam if NatWest had made one

Ms M has said that she felt very "*alone*" while talking to the NatWest manager and that its failure to call the Police was "*half baked*". I accept the strength of Ms M's views, but I do not agree with her. Given the plausibility of the scammer's story and her "*determination to go ahead*", I think that NatWest's decision not to call the Police after a discussion at the counter, followed by a private conversation with a manager in a private room was reasonable in this case. I do not think it was half baked.

As mentioned above, Ms M has also told us that if NatWest had called the Police she wouldn't have sent any further money to the scammer. To a large extent, as I have decided that it was reasonable for NatWest not to involve the Police, this question largely falls away. However, for completeness, I have considered Ms M's comments, but I am not convinced by them. Given the full circumstances of this scam, I doubt that the single act of NatWest calling the Police and then engaging in the complaint would have shaken Ms M's belief that the scammer was genuine.

For the third transfer, in my provisional decision I said that I thought NatWest should have intervened, but that as Ms M has told us that she wanted to make this payment to test the scammer's claim to be genuine, I doubted that NatWest could have stopped her proceeding. Ms M has not said anything specific about this transfer and my view is unchanged.

So, in summary, I am very sorry for the awful experience Ms M suffered at the hands of the scammer and for her financial loss. But I have reconsidered all the information we had prior to my provisional decision alongside her subsequent comments, and it seems to me that NatWest made some reasonable interventions to try to prevent the fraud. I accept that it should have made one more, for the third transfer, but I doubt that would have changed Ms M's mind about proceeding. I also think NatWest made reasonable attempts to recover the money Ms M lost from the first and second transfers once she reported them as fraud, although unfortunately they turned out to be unsuccessful. I am not sure when Ms M reported the third transfer as fraud and how well NatWest responded, but by that time, I doubt that even prompt action to try to recover the money would have succeeded.

I do not think NatWest was at fault for Ms M's loss.

My final decision

For the reasons I have set out above, I am not upholding Ms M's complaint about National Westminster Bank Plc. I am not going to tell it to give her any money back.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 10 October 2023.

Steve Townsley

Ombudsman