

The complaint

Mr B complains that Nationwide Building Society won't refund money he lost, which he believes was as the result of a scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

In August 2021, Mr B has said he saw an advert for an opportunity to invest in crypto currency, that said that an investment of £1,000 would return a profit of £300 within a week. Mr B has said he entered details into a company's website to register his interest, following which he's told us he was contacted by the company to discuss the opportunity.

Mr B has said he carried out some research into the company. Persuaded that things seemed legitimate he agreed to download an application on his mobile device, to allow the company remote access to his device. This was so that the company could show him its portfolio and figures and so that he could start the investment.

Mr B has said the company then showed him the trading platform and went into more detail about the services it could provide. Mr B has said he was asked to set up an account with a crypto exchange and to deposit a down payment of £180, which he did. He's said he told the company he would think about things before investing further. Mr B has said he didn't invest at this point, but the company continued to contact him until November 2021 offering their services.

Mr B has said he suspected he'd been scammed when, also in November 2021, he received a communication from the crypto currency exchange, confirming that a debit had been made on his account, but he hadn't made any withdrawals. Mr B has said this led him to check things further, where he found the following payments had been made from his Nationwide account, to his crypto exchange account;

12 August 2021	£10,000
13 August 2021	£10,000
8 September 2021	£10,000
8 September 2021	£10,000

Mr B says he was unaware these payments had been made and he didn't authorise them. He's said he tried to contact the company he had been communicating with, but he didn't receive a response. So he raised the matter with Nationwide.

Nationwide looked into Mr B's complaint and issued its final response on 17 December 2021 not upholding it. In summary, this was because Nationwide said there was no plausible explanation for how these payments were authorised without Mr B's knowledge. It said this because, although an application was installed on his phone to allow remote access, it didn't explain how Mr B's card, PIN and pass number had been used to set the payee up, when

he'd confirmed nobody else knew these. Nationwide said it did chase the funds with the beneficiary bank (the bank to which the money was sent) and was able to recover £93.47, which was returned to Mr B's account.

Unhappy with Nationwide's response Mr B then brought his complaint to this service. One of our investigator's looked into things but didn't uphold the complaint. In summary this was because she was satisfied, having considered the evidence, that Mr B had authorised the payments. Alongside this, our investigator didn't think Mr B had provided enough information to show he had been the victim of a scam.

Mr B didn't agree with our investigator's view. As agreement couldn't be reached, the complaint has now been passed to me for a decision.

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 also taken into account the law, regulator's rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time.

The first thing I need to decide is whether I think Mr B authorised the transactions. Mr B has repeatedly told Nationwide and this service that he didn't authorise them. Generally, Nationwide can hold Mr B liable for the disputed transactions if the evidence suggests it's more likely than not that he made or authorised the transactions himself.

I've thought about this carefully and, in the circumstances of this case, the weight of evidence that is available to me suggests that Mr B did authorise and consent to the payments. I say that for the following reasons:

- The transactions were made using a device and IP address that had been used on Mr B's account, on numerous occasions, in the past for genuine transactions.
- The user ID used for the transactions was consistent with genuine payments both before and after the disputed transactions.
- I'm satisfied from the bank's technical evidence that Mr B's genuine security details were used to make the disputed transactions. I'm mindful Mr B has said he allowed remote access to his account by a third party. But Mr B's genuine card and PIN were used to authorise the payee being set up through his digital banking. Mr B has said that no one else has access to his card, knows his PIN or knows his digital banking pass-number. So I can't see how a third-party would have been able to make the payments, without Mr B's card, PIN, pass-number or digital banking security details.
- I'm persuaded the activity on Mr B's account, after the disputed transactions were made, indicates he would have been aware of the transactions before he raised the matter with Nationwide in November 2021. I say that as Mr B continued to use the account for purchases and carried out both balance and statement enquiries. Given the amounts that had been paid, I think it more likely than not that if Mr B hadn't authorised or consented to them, he would have been concerned about his depleted account balance and about transactions he didn't recognise. With this, I think he would have been keen to contact Nationwide much sooner than he did.

Overall, based on the evidence and Mr B's account of events, I've not seen any feasible or credible evidence to support a conclusion that someone else made the payments. As I'm persuaded Mr B authorised the payments, Nationwide can hold him liable for them.

I'm mindful that Mr B considers he has lost this money as a result of a scam. But considering his submissions to both Nationwide and this service, strongly contradict my findings, that I'm persuaded he did authorise the payments, in the absence of any other evidence I can't safely conclude that Mr B has fallen victim to a scam.

My final decision

My final decision is that I don't uphold this complaint against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 14 September 2022.

Stephen Wise
Ombudsman