

The complaint

Mr C is complaining that Nationwide Building Society didn't do enough to prevent him from making payments to a scam.

What happened

The circumstances of the scam are well-known to both parties so I won't go into detail here.

In short, in March 2024 Mr C fell victim to a job scam. He made the following payments from his Nationwide account to his own account with an Electronic Money Institution (EMI) before sending them on to the scam.

Payment number	Date and time	Type of payment	Amount
1	29 March 2024	Debit card payment	£10
2	29 March 2024	Debit card payment	£10
3	29 March 2024	Debit card payment	£200
4	1 April 2024	Transfer	£300
5	1 April 2024	Transfer	£1,400
6	1 April 2024	Transfer	£4,300

Mr C attempted to make another payment to the scam following Payment 6, and Nationwide called him to discuss it – and the scam was uncovered.

Mr C complained to Nationwide. He thought that Nationwide should have intervened before he made the payment of £4,300, and if it had, this payment could have been prevented. Nationwide didn't uphold his complaint so he brought it to our service.

Our Investigator looked into what had happened, but she didn't think Nationwide ought to have intervened any earlier than it did. Mr C didn't agree, so his complaint's been passed to me for review and 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.

Having done so, I'm not upholding Mr C's complaint, for much the same reasons as the Investigator.

I've thought about the Contingent Reimbursement Model (CRM) code which can offer a potential means of obtaining a refund following Authorised Push Payment (APP) scams. But the CRM code doesn't apply to payments made by debit card, or to payments made to another account in the customer's own name, so Mr C's payments aren't covered by it.

I've therefore considered whether Nationwide should reimburse Mr C under any of its other obligations.

It's not in dispute that Mr C authorised the payments. And Nationwide had a duty to act on his instructions. But in some circumstances a financial business should take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transaction is unusual for the customer, or otherwise looks characteristic of fraud. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. But I'd expect any intervention to be proportionate to the circumstances of the payment.

I've also kept in mind that businesses such as Nationwide process high volumes of transactions each day. There is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

I have reviewed the available statements which show Mr C's general account activity, along with the payments he made to the scam. And having considered when they were made, their value and who they were made to, I'm not persuaded Nationwide ought to have found any of the payments suspicious, such that it should have made enquires of Mr C before processing them.

These payments were being made to an account in Mr C's own name, and although Nationwide should, at this time, have been aware of the risk of multi-stage fraud such as Mr C was experiencing, I still think it could have taken some reassurance from this in these circumstances.

While I accept that Payment 6 was of greater value than the payments Mr C usually made from this account, customers do occasionally make higher value payments than they usually do, and this is only one of the factors I'd expect Nationwide to have considered when deciding whether to intervene. Although I appreciate that it represented a lot of money to Mr C, the value of the payment, combined with its destination, wasn't at a level where I'd expect Nationwide to be concerned about the risk of financial harm due to a scam – even taking into account the cumulative value of the payments made that day.

I've also considered the pattern of the payments Mr C made to his account with the EMI on 1 April 2024 to see if this should have alerted Nationwide to a scam risk prior to him making Payment 6, but the payments were reasonably spaced out and didn't occur in rapid succession in the way that can sometimes indicate a scam is taking place.

Having considered all the circumstances, I don't think it was unreasonable for Nationwide not to view the payments as suspicious, such that it should have carried out any additional checks or given an additional warning before processing the payments. So, I don't think it ought to have done any more to prevent the payments Mr C made.

I've considered whether Nationwide could have done anything to recover Mr C's payments once the scam was uncovered, but because the payments were sent to another account in

Mr C's name, and then on to the scam, it wouldn't have been possible for Nationwide to recover them.

I'm sorry to disappoint Mr C. But I don't think Nationwide should have done more to prevent his loss here. So, it wouldn't be reasonable for me to ask it to refund the payments he made.

My final decision

My final decision is that I'm not upholding Mr C's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 6 June 2025.

Helen Sutcliffe
Ombudsman