

The complaint

Mr N complains that Nationwide Building Society didn't do enough to prevent the loss he suffered when he was the victim of a scam.

Mr N has used a representative to help with his complaint. But, for ease of reading, I'll mostly just refer to Mr N himself, where I also mean the representative.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. In 2024 Mr N was the victim of a scam. After initially responding to a message on his phone that appeared to be a wrong number, Mr N developed a close relationship with a third party.

Over time the third party disclosed that they invested in cryptocurrency, and they offered to help Mr N to do the same. Ultimately, under the guidance of the scammer, Mr N made the following payments from his sole Nationwide account. 'R' is what appears to be a legitimate cryptocurrency exchange and Mr N says that the purchased cryptocurrency was subsequently sent on and lost to the scam. R2 is another financial business with whom Mr N held an account that he also used to send funds to the same scam.

Statement Date	Transaction	Amount
2 April 2024	Card payment to Mr N's account with R2	£100
18 April 2024	Card payment to Mr N's account with R2	£1,400
18 April 2024	Card payment to Mr N's account with R2	£600
25 April 2024	Card payment to Mr N's account with R2	£1,400
25 April 2024	Card payment to Mr N's account with R2	£600
30 April 2024	Card payment to Mr N's account with R2	£1,500
1 May 2024	Transfer to R	£2,000
1 May 2024	Transfer to R	£1,500
7 May 2024	Transfer to R	£2,000
15 May 2024	Transfer to R	£3,206.33
1 June 2024	Transfer to R	£2,000
3 June 2024	Transfer to R	£2,800
17 June 2024	Transfer to R	£2,424.41
21 June 2024	Transfer to R	£2,050
15 July 2024	Transfer to R	£1,120
29 July 2024	Transfer to R	£1,600

30 July 2024	Transfer to R	£20
30 July 2024	Transfer to R	£10
30 July 2024	Transfer to R	£740

Mr N had seen success in his 'investments' within the platform the scammer had shared with him. But when he came to make a withdrawal, he was told he couldn't do so until taxes were paid upfront which couldn't be taken from his available balance. As a result of this, Mr N ultimately discovered he'd been tricked and had lost money to a scam.

In September 2024 Mr N complained to Nationwide that they hadn't done enough to protect him. Nationwide paid Mr N half of his loss arising from the payments he'd made to R on or after 16 May 2024. They also paid him £150 compensation to apologise for not having intervened sooner.

Mr N remained unhappy and referred his complaint to our service. It was considered by one of our Investigators and he didn't recommend that the complaint should be upheld. In summary he didn't think Nationwide could fairly be said to be responsible for the outstanding loss. Mr N still disagrees and has asked for an Ombudsman to review his complaint.

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 outcome as our Investigator and for similar reasons. I know this will be disappointing for Mr N, so I'll explain why.

I'm aware of Mr N's linked complaint about the payments he made towards the same scam from his joint account with Nationwide (as well as his complaint about R2). But this complaint is solely about the payments from his sole account.

Whilst I accept that Mr N has been the victim of a cruel scam, this doesn't automatically entitle him to a refund from Nationwide in these circumstances. So despite my natural sympathy for him as a victim of crime, my role requires that I remain impartial. And it would only be fair for me to direct Nationwide to do more, if I thought they were responsible for his loss (or a part of it).

Generally speaking, Nationwide should follow the instructions provided by their customers like Mr N. But, they should also be alert to the potential for fraud, scams and the misappropriation of funds and do what they reasonably can to protect their customers from the same. Clearly there is a balance to be struck between stopping and checking payments from an account and allowing their customers ready use of their funds. I also don't think it's unreasonable for there to be a level of proportionality as to when (and to the extent) that Nationwide intervene –clearly it isn't possible for them to stop and check every payment.

I'll first deal with the payments Mr N made to his own account with R2. I don't think these were so unusual or suspicious where I could fairly have expected Nationwide to have intervened. So, I don't think it was unreasonable for them not to have done more than they did before processing these payments. And even if I'm wrong on this point, for the same reasons as those I'll come to below, I think it's more likely than not that (if challenged), Mr N simply would've explained he was moving money to an account in his own name elsewhere, without giving Nationwide further cause for concern. I think its unlikely an intervention in the payments to R2 would've discovered the scam and prevented Mr N's loss.

However, it doesn't seem to be in dispute between the parties that Nationwide ought to have intervened in the payments he made to R towards the scam. Having looked back through the statements for how Mr N typically used his account, I would agree these payments collectively marked a departure from how the account had previously been used. Nationwide also would've been able to establish that R was a cryptocurrency exchange. And whilst many similar payments will be entirely genuine, it is also a factor that is commonly seen in a number of scams.

However, for the reasons I'll come to, I don't need to make a finding as to the specific point at which Nationwide ought to have intervened. I say this because I'm not persuaded that any reasonable level of intervention from Nationwide would've made a difference (at whatever point that intervention might have taken place).

I've reviewed over 200 pages of chat between Mr N and the scammer. And it's clear that a close relationship had developed and that he trusted her. There are also instances of the scammer telling him how to respond if any of his banks challenged him about the payments he was making. One example of this is on 1 June 2024 when the scammer said: *"You should ask the bank why it froze your funds. Don't tell the bank that you are using it to invest in cryptocurrency. You should say you want to pass it on to your relatives."*

Another example took place earlier, at the end of April 2024, when R2 had intervened in payments Mr N was making. Here the scammer said: *"When the customer service asks you a question, you take a screenshot and send it to me."* It followed on from that that Mr N answered R2's queries in ways that reassured them, and ultimately, he then stopped using R2 (presumably due to the friction they'd created) and moved on to making payments through Nationwide and a credit union that he's referenced in the chat with the scammer. There is other evidence to suggest that Mr N borrowed money to pay towards the scam and similarly must have misled the lender as to the purpose of his loan as he refers to being aware that he isn't supposed to use the loan funds for cryptocurrency. He also talks about moving money between accounts to hide that this is what he was doing.

Overall, I think the evidence is strong that Mr N was prepared to mislead financial businesses as to the true nature of what was going on at the direction of the scammer. And whilst I appreciate this wouldn't be as easy to do in a phone call (compared to the online chats with R2), I still think Mr N wouldn't have fully shared what was happening with Nationwide. I also say this in part because he didn't in the call that Nationwide had with him about an outgoing payment from his joint account that was part of the same scam. In that call Mr N misled Nationwide as to the amount of experience he had with cryptocurrency and also said he hadn't been contacted by a third party in relation to his 'investment'. I think this too supports that even if Nationwide had been more probing in their questions, Mr N more likely than not would've answered in a way that wouldn't have caused additional concern and the payment would've continued. Nationwide also warned Mr N about the possibility of a scam during that call, telling him *"I wanted to make sure that you weren't being coerced into any payments or there wasn't any third-party involvement."* Mr N responded to this to say there wasn't.

I also note that the questions / warnings R2 gave Mr N, included:

- Asking him to truthfully answer questions, as only a scammer would ask him to hide the real reason for a payment.
- Asking him if anyone was guiding him as to how to answer, he responded that he wasn't being guided.
- Telling him that if someone was telling him to ignore warnings, they were a scammer.

- Telling him *“This could be a crypto scam. STOP. Crypto scams promise high returns in a short period of time, and might even have professional-looking online platforms.”*
- Telling him *“We think you’re being scammed – your transaction is unusual and was flagged as a potential scam.”*

And as I’ve set out, the messages from the scammer indicate that he was at times promised huge returns within seconds of an investment. And he had been introduced to the ‘investment’ by someone he’d met through a ‘wrong number’, hadn’t met in person and this information was never shared with R2 or Nationwide at the relevant times.

In terms of recovery, given Mr N’s payments went to cryptocurrency (which he says had already been sent on) or his own account with R2, I don’t think there was anything Nationwide reasonably could’ve done to have helped recover them. So this too isn’t a basis upon which I could require them to do more.

Overall, I think it’s more likely than not that an appropriate intervention from Nationwide wouldn’t have made a difference in this particular case. And I don’t think there were failures linked to recovery efforts or their customer service. It follows that the refund already paid is more than fair in my opinion. And I can’t fairly require Nationwide to do more to resolve this complaint.

My final decision

For the reasons outlined above, my final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr N to accept or reject my decision before 20 October 2025.

Richard Annandale
Ombudsman