

The complaint

Mr L has complained that Nationwide Building Society won't refund the money he lost after falling victim to a scam.

What happened

In summary, Mr L was victim to two fake online relationships, where the people he was speaking to were actually scammers. They asked him for payments for various things, including for reasons which they set out as being extremely important. Between late 2019 and mid 2024, Mr L made a series of payments to the scammers totalling around £50,000.

In late 2024, Mr L complained to Nationwide via representatives. Nationwide refunded some of the scam payments, totalling under £2,000, as a goodwill gesture. But they didn't think they were otherwise liable for Mr L's loss. For the bulk of the transactions – made via Mr L's account at a third-party online payment service – they referred Mr L to that payment service.

Our Investigator looked into things independently and didn't uphold the complaint. Mr L's representatives asked for an ombudsman's review, so the complaint's been passed to me for a final 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 understand that Mr L fell victim to a particularly cruel and manipulative scam, for which he has my sympathy. I appreciate this cannot have been an easy matter for him to face, and I appreciate why he would like his money back. It's worth keeping in mind that it's the scammers who are really responsible for their scam and the resulting distress, and it's the scammers who really owe Mr L his money back. But I can only look at what Nationwide are responsible for. Having carefully considered everything that both sides have said and provided, I can't fairly hold Nationwide liable for Mr L's remaining loss. I'll explain why.

The payments which were already refunded have already been sufficiently dealt with – there's nothing left to do with those. I'll go on to only consider the remaining payments, made via Mr L's online payment service account, which were not refunded.

It's not in dispute that Mr L authorised the payments involved. So although he didn't intend for the money to end up with scammers, under the Payment Services Regulations he is liable for that loss in the first instance. And broadly speaking, Nationwide had an obligation to follow his instructions – the starting position in law is that banks and building societies are expected to process payments which a customer authorises them to make.

Mr L's representatives made arguments around the CRM Code for scams. But these remaining payments were not push payments transferred directly to the scammers. They were made via Mr L's online payment service account, collected from his Nationwide account by card or direct debit. These payments were not covered by the CRM Code, so I'm afraid it's not relevant here.

Nationwide should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them. But a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. I've thought carefully about whether Nationwide should have done more in Mr L's case.

The bulk of the payments were of modest amounts and were spread out over a long time. While the spending did get notably large towards the end, by that point this was a well-established payee who Mr L had been making transactions to without any reported issues for some time. He did occasionally make other notably large payments in his prior genuine spending, and he used this online payment service quite a bit, so this wasn't exceptionally out of character for his account. The online payment service also came with its own built-in protections, which would've provided extra reassurance. And I can't see that Nationwide were made aware at the time of any vulnerability or other factor which should've caused particular concern. So I don't think the spending quite met the bar of being so unusual or out of character that Nationwide needed to intervene in this particular case.

Further, even if Nationwide *had* intervened and asked reasonable questions, I'm not persuaded that this was most likely to have stopped the loss. Mr L's representatives explained that he was completely under the scammers' spell, which is supported by the messages we've been given. Mr L seems to have genuinely believed that he needed to send these funds for extremely important reasons. He went as far as taking out loans to fund them, which appear to have been taken out under false pretences, not least since the loans in question would not normally be granted for the purposes they were used for here. Mr L had family backing him in this, and by the time the spending increased he'd already got out of one fake online relationship but was still going ahead with the next. And the scam payments were made via a number of different avenues over the years, with the messages indicating that Mr L was determined to make them even if they got declined. So it doesn't seem very likely that reasonable intervention would've succeeded here. It seems more likely that Mr L would've found a way to get the payments through even if Nationwide had intervened, such as by making the payments via different avenues.

I've then considered what Nationwide did to try to recover these payments after Mr L told them about the scam. As mentioned before, these were not bank transfers and were not covered by the CRM Code, so these payments could not be recovered in the same way. It wasn't possible for Nationwide to simply take the money back. And there was no chargeback reason which would've been appropriate here. A chargeback would've been a claim against Mr L's genuine online payment service rather than the scammers. And the online payment service provided the service they were supposed to. There was no realistic prospect of success for a chargeback, and chargebacks are voluntary, so Nationwide didn't need to try one in this case. And I'm afraid there was nothing more that Nationwide could've reasonably done to get the money back here.

So while I'm very sorry to hear about what the scammers did to Mr L, I don't think that Nationwide can fairly be held responsible for his remaining loss or the distress that the scammers caused. And so I can't fairly tell Nationwide to reimburse Mr L any further.

My final decision

For the reasons I've explained, I don't uphold this complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 28 October 2025.

Adam Charles
Ombudsman