

The complaint

Mr T complains that Nationwide Building Society wont refund all of the money he lost when he was the victim of a scam. He wants a full refund and compensation for the distress and inconvenience he has been caused.

What happened

Mr T made several payments from his Nationwide account to an authorised payment institution between 30 September and 4 October 2024. The details are set out below.

Date	Time	Amount
30-Sep-24	18:35:15	£50.00
30-Sep-24	21:24:16	£52.99
30-Sep-24	21:44:05	£52.99
01-Oct-24	10:08:34	£44.79
01-Oct-24	10:44:15	£30.58
02-Oct-24	14:02:16	£66.94
02-Oct-24	14:26:45	£152.44
02-Oct-24	14:35:07	£76.13
03-Oct-24	10:33:00	£192.97
03-Oct-24	11:10:15	£587.18
03-Oct-24	11:38:25	£1,631.98
03-Oct-24	13:26:33	£1,815.22
03-Oct-24	13:29:25	£1,815.22
03-Oct-24	18:55:11	£1,802.99
04-Oct-24	13:04:52	£1,802.99
04-Oct-24	13:13:36	£1,002.99
04-Oct-24	15:54:53	£1,178.41
04-Oct-24	20:26:29	£1,852.99

Mr T said that he was contacted by text message about earning some passive income. He said he checked the website, and it seemed fine and the messages he received didn't raise any concerns. He said he was required to submit hotel reviews to earn commission and for the first few days everything worked fine, and he got paid when he requested a withdrawal. But on the fourth day, he was told he needed to pay his into account to get his commission released. He said that while another of his bank's froze his account Nationwide allowed over £14,000 to be paid out. Mr T contacted Nationwide about the scam on 5 October 2024.

Nationwide issued an outcome to Mr T's claim dated 10 October 2024. It accepted that it could have done more to protect Mr T's money in regard to the payments made after two payments had been declined on 3 October 2024, payments totalling £11,270.81. However, it said that Mr T could also have done more to protect himself and so it said it would refund

50% of this amount.

Mr T didn't agree that he could have done more, saying he had done his research and everything looked genuine. He thought that Nationwide should have done more to protect him, and he should receive a full refund. Mr T raised a complaint, but Nationwide didn't uphold this. Mr T then referred his complaint to this service.

Our investigator noted the point at which Nationwide had upheld the claim (payment for £1,815.22 on 3 October 2024) and she thought this was reasonable. She didn't think that Nationwide was required to intervene before this point. She thought that had an intervention happened at the point Mr T was making the £1,815.22 payment, this would likely have identified the scam and Mr T wouldn't have made any further payments. Therefore, she agreed with Nationwide's position of upholding the claim from this point.

Our investigator noted Mr T's comment about the research he did before making the payments, but she thought that he could have done more to protect himself from the scam. She noted that Mr T was contacted by an unknown person by text message offering him a job that he hadn't applied for and that he was asked to submit fake hotel reviews. She thought this, along with the requests for him to make payments, should have raised concerns with him that the job may not be genuine. Therefore, she agreed that the refund of 50% was fair.

Mr T didn't agree with our investigator's view. He said he had to tell Nationwide about the scam as it hadn't identified this. He said he had been the victim of a sophisticated scam, and it wasn't fair that he didn't receive all of his money back.

As a resolution hasn't been agreed this complaint has been passed to me, an ombudsman, to issue 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.

This case is against Nationwide and so while I have considered the information provided in regard to the payments Mr T made from his other bank account as part of this scam, my decision is about the action Nationwide should have taken and the potential impact this would have had.

Mr T made several card payments from his Nationwide account to an account held at another financial institution. The Contingent Reimbursement Model (CRM) isn't relevant in this case as the payments were made by card, and while the chargeback scheme can be considered for debit card transactions, in this case as the service Mr T was paying for was provided, I agree that there wasn't a reasonable chance of success for a chargeback and so I do not find it unreasonable that Nationwide didn't attempt this.

Mr T alerted Nationwide to the scam on 5 October 2024. It accepted that Mr T was the victim of a scam and partially upheld his claim. So, my decision assesses whether, based on the evidence provided, Nationwide came to a fair outcome. When making a decision I take all relevant rules, regulations and guidance into consideration and my decision is based on what I consider to be fair and reasonable given the unique circumstances of the complaint.

Mr T authorised several payments from his Nationwide account between 30 September and 4 October 2024. Under the Payment Service Regulations 2017, the starting point is that Mr T is liable for the payments he authorised. However, Nationwide should have systems in place

to look out for out of character or unusual transactions, or other signs that might indicate that its customers are at risk of fraud.

Mr T was an existing customer of Nationwide and so I have looked at his account activity to assess whether the payments he made should have been identified as unusual and suggested Mr T was at risk of financial harm. Mr T made an initial payment of £50 on 30 September 2024. A few hours later he made further payments for £52.99. He then made five further relatively low value payments to the same account over the next two days. Mr T's account statements show him making regular payments of amounts around and above the value of these disputed payments and so based on the size of the payments and noting they were spread over three days, I do not think I can say that Nationwide was required to intervene at this point. I also note that Mr T received some credits in these early days and so it is likely at this stage that had a warning been issued this wouldn't have stopped him making further payments for what he thought was a genuine job opportunity.

On 3 October 2024, Mr T made a payment of £192.97 followed by payments of £587.18 and £1,631.98. Based on Mr T's account history I do not think the first two of these payments were such that they should have raised concerns, but the third was beginning to show a pattern of payments that could suggest Mr T was at risk of fraud, and these payments were escalating. Therefore, I think that there should have been an intervention before any subsequent payments.

In this case, following the £1,631.98 payment Mr T's payments were declined by the card provider. There are several calls between Nationwide and Mr T on 3 October 2024, where he confirms the payments are genuine and he asked for these to be released. While I note that the possibility of a scam is mentioned, I think that Nationwide missed an opportunity at this point to ask probing questions about what the payments were for and why Mr T was making several payments to the same beneficiary within a short space of time. Had this intervention happened at this point I think, on balance, that Mr T would have been alerted to the scam and that the subsequent payments wouldn't have been made. Therefore, I agree with Nationwide's decision to uphold Mr T's claim from the payment of £1,815.22 on 3 October 2024.

Nationwide calculated the upheld payments to total £11,270.81. It then said that as Mr T could have done more to protect himself from the scam it would refund 50% of this amount. I note Mr T's comment about carrying out research and the communication and payments he received from the scammer, but in this case, I think that Nationwide's position is fair. I say this because Mr T was approached about the opportunity to earn money by text message and no formal documents were provided about the role. He was then required to review hotels that he didn't have knowledge of and make payments into a work account. While he did receive some payments these were from different individuals rather than a company account. I think all of these factors should have raised concerns that the opportunity wasn't genuine and had Mr T asked further questions before making his payments the scam could have been identified.

So, while I understand that Mr T wants more of his losses refunded, in this case I think that the refund made by Nationwide is reasonable. I appreciate that Mr T thinks he should receive compensation for the trouble and upset he has been caused but I do not require this to be paid. I say this because the upset was caused by the scam rather than Nationwide and Nationwide responded quickly to Mr T when he alerted it to the scam and provided him with what I consider to be a fair refund.

My final decision

My final decision is that I do not require Nationwide Building Society to take any further

action in resolution of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 7 August 2025.

Jane Archer
Ombudsman