

The complaint

Mrs L complains that Nationwide Building Society has not reimbursed all of the funds she lost to a scammer.

What happened

Mrs L fell victim to two separate scams shortly after losing her husband, when she was vulnerable. She was contacted by someone claiming to be a long-lost family member who needed help and she made a number of transfers to the family member. She also reached out to who she thought was Keanu Reeves, who formed a friendship with her and eventually asked her to help him with various issues. She bought a number of Apple Play cards with cash which she withdrew from her Nationwide account as well as card payment and she sent these to 'Keanu', otherwise known as the scammer, over the course of a few months. This was done by sending an image of the cards to the scammer over a messaging service.

Mrs L raised a scam claim directly with Nationwide for the initial scam, and Nationwide reimbursed her in full which totalled £10,576.45. She then made a claim for the second scam, and Nationwide provided reimbursement for this of £4,614.40. However, Mrs L referred the complaint to our service and explained this did not encompass all of the funds she lost to the scam. She calculated the total loss for the second scam as £11,619.31, making a shortfall of £7,004.91. This was later amended to £6,158.97.

Nationwide explained they had refunded all of the payments Mrs L originally raised with them for the second scam, from 20 October 2023 onwards so they did not agree they needed to do more. Mrs L provided a breakdown of payments that spanned from September 2023 onwards, which had not been included in the original claim. These were largely cash withdrawals or card payments of around £250 each.

Eventually, Nationwide agreed to reimburse 50% of the outstanding card payments making a total offer of £3,217.02. They explained they decided to split liability between themselves and Mrs L as the payments were of a low value so they did not think they should have flagged them as potentially fraudulent. They also explained some of the figures for the purchases were not round which suggested they were genuine spends, and there was no way of knowing if the cash withdrawals were used as part of the scam.

Our Investigator put the offer forward to Mrs L but she declined to accept it. She highlighted just how vulnerable she was at the time and the difficulties she had gone through just before and during the period of the scam.

Our Investigator reviewed the complaint in full and having done so, they felt the spending on one of Mrs L's account's ending *6142 did become unusual on 8 November 2023. And they thought it was more likely an intervention on this date would have been enough to break the spell of the scam and prevent further payments being made. However, Lloyds' offer of 50% of the remaining payments along with what they had already paid was more than what our Investigator would have recommended.

Mrs L did not accept the outcome and so the complaint was passed to me. I wrote to Nationwide and asked them to reconsider their position as a gesture of goodwill, but they felt the offer already made was fair and asked for a decision to be provided.

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.

The payments Mrs L made are not covered by the Lending Standards Board's Contingent Reimbursement Model ("CRM") Code, as neither card payments nor cash withdrawals are covered under the Code. However, Nationwide still has a duty of care to protect its customers from financial harm.

Broadly speaking, the starting position in law is that an account provider is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of the account. And a customer will then be responsible for the transactions that they have authorised.

It's not in dispute here that Mrs L authorised the card payments. So, while I recognise that she didn't intend the money to go to scammers, the starting position in law is that Nationwide was obliged to follow Mrs L's instruction and process the payments. Because of this, she is not automatically entitled to a refund.

The regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams. So, I've also thought about whether Nationwide did enough to try to keep Mrs L's account safe.

Mrs L's account ending *8678 was her main current account and generally had more activity on it. There was an increase in activity in early September 2023 after Mrs L credited the account with £8,600. While there was an increase in payments, the values were still relatively low and the higher value transfers of around £1,000 were to established accounts in Mrs L's name. On balance, I do not think the overall activity on this account was unusual enough to warrant an intervention from Nationwide.

I've looked over all of Mrs L's statements carefully, and I can see that the activity on her account ending *6142 did increase in early November 2023. She transferred just over £14,000 into the account and in just 15 days all of these funds have been transferred out. The majority of these were transferred out to other established accounts in her name, and I do think the risk level attributed to transfers like these are generally lower. But I do think the frequency of the transfers, especially between 6 and 8 November were suspicious enough that I think Nationwide could have spoken with Mrs L to find out more about what was happening.

Even if I were to agree that an intervention at this point would have successfully broken the spell of the scammer and prevented Mrs L from making further payments, the redress she would then be due would be less than the offer Nationwide has made and the refunds they have already paid. I also have to acknowledge that it is difficult to evidence the cash withdrawals listed are all linked to the scam, and the card payments are all to supermarkets with no way of evidencing the funds have all been used for the scam. While I am not suggesting Mrs L has fabricated any of these payments, I do still have to rely on evidence to be satisfied with the total loss attributed to a complaint.

I want to acknowledge Mrs L's personal circumstances, which I understand have been very difficult and have significantly affected her mental health and general well-being. And I also want to acknowledge and highlight that she has been victim to a particularly cruel and manipulative scam, and I'm sorry she's had to go through this experience. I want to assure her that I have carefully reviewed everything available to me and having done so, I think the offer put forward by Nationwide is fair in the circumstances and is more than I would have

been able to recommend in the circumstances had the complaint come to me with no offer available.

My final decision

I think the offer put forward by Nationwide Building Society to reimburse 50% of the outstanding loss, totalling £3,217.02 is fair.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L to accept or reject my decision before 12 December 2025.

Rebecca Norris
Ombudsman