

The complaint and background

Mr P complains Nationwide Building Society ('Nationwide') won't reimburse him in full the funds he lost when he says he fell victim to a cryptocurrency investment scam.

Mr P's losses to the scam amount to around £7,000. This occurred during early 2022 when he came across a social media advertisement regarding an investment opportunity. Mr P was directed to another platform where the investment opportunity was explained to him. Following this Mr P proceeded to invest and the scammer showed him their investment platform and where to transfer funds. He said the platform showed him his investment was profitable.

Eventually, Mr P had no further funds to invest and he heard one of his students talking about how they'd been scammed in a similar way to him. It was at this point he realised he'd been scammed too.

Mr P raised a complaint with Nationwide through his professional representative. This resulted in a partial refund being paid of £2410.50.

Mr P's complaint was brought to this service as a result. Our investigator didn't uphold the complaint. He found that Mr P had not presented sufficient evidence he'd fallen victim to a scam. But even if he considered Mr P's complaint on the basis that Nationwide had, he wasn't satisfied the payments were particularly unusual or suspicious in appearance such that it ought to have intervened. And therefore, he didn't consider whether Nationwide should reimburse anything further.

Mr P's representatives disagreed. It said Nationwide had not fully explained why it made the reimbursement it did and that its settlement appears arbitrary and lacks a clear rationale. It said given Nationwide's acknowledgement of its failure, it contends that all sums paid from 16 February 2022 should be reimbursed in full. It also said it considered given the various factors of the payments and knowingly going to cryptocurrency merchants, Nationwide should have intervened earlier, thereby preventing further losses.

Our investigator disagreed with Mr P's representative's comments. And as agreement couldn't be reached the matter has been referred to 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.

It isn't in dispute that Mr P authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Nationwide is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I would firstly point out, just as our investigator has highlighted, that Mr P has presented very limited supporting evidence with regards to the scam he says occurred. Beyond Mr P's testimony of the events, he's provided a single screenshot of a contact, one of his two cryptocurrency account statements and confirmation that his other cryptocurrency account was closed. Mr P says that following the scam, he deleted the platform used to communicate with the scammer and so he's unable to provide any evidence in relation to his interactions with them nor any instructions he was given in relation to making payments towards the scam. Mr P also hasn't provided any details of the name of the specific investment platform he says he was scammed by.

With the limited available evidence, all I can be satisfied with is that Mr P over a period of around a month in early 2022, made and received a number of payments to two cryptocurrency exchanges. I would also note that when first reporting his claim to Halifax and this service, Mr P made no mention of the successful withdrawals he was able to make from the cryptocurrency exchanges – this was only provided upon prompting by our investigator.

Most importantly however, what Mr P has shown us doesn't evidence any instructions about making payments towards any alleged investment platform/ scam. And he's failed to provide any specific details about the actual investment platform itself including its name. Ultimately, whilst Nationwide has accepted Mr P has fallen victim to a scam, in considering this case on its own individual merits I'm not satisfied he's provided sufficient supporting evidence of this.

Therefore, I can't fairly say Nationwide needed to do anything differently, because Mr P hasn't evidenced there was a risk of financial harm associated with him making these payments, that Nationwide then ought to have acted to try and prevent. Nor has Mr P evidenced that he has actually suffered a financial loss from these specific payments as the result of a scam.

But even if I were to accept Mr P had provided sufficient evidence, I'm in agreeance with our investigator. I don't think the payments were particularly unusual or suspicious in appearance to Nationwide. That's because it wasn't uncommon for Mr P to make multiple payments a day – as evidenced by his account history. Furthermore, the payments did begin with small sums and even when they had begun to rise in value, I'm not satisfied the increase was sufficiently significant to have caused Nationwide alarm.

So although Nationwide accepts it ought to have done more and has provided a partial refund to Mr P, I won't be asking it to do anything further for the reasons I've set out above.

I've also considered whether there are any ways Nationwide could have recovered Mr P's money, but I don't consider it could have. Mr P bought genuine cryptocurrency with the funds which he sent on as part of this scam. So, he did receive what he paid for, even if he then lost it due to a scam.

My final decision

For the reasons given 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 P to accept or reject my decision before 11 November 2025.

Mark O'Connor
Ombudsman