

The complaint

Mr L complains that Nationwide Building Society did not reimburse the funds he lost.

What happened

Mr L was looking to invest some funds and says he was approached by an unregulated introducer. He says that he was guaranteed returns and he went on to invest in a number of different companies. One such company specialised in renewable energy and I will refer to them as 'X'. Mr L was interested in a fixed term investment in ethical 'green' energy solutions and was promised returns of 10%. He transferred £30,000 from his Lloyds account to X on 8 May 2019. However, he says he did not receive any returns and X eventually went into liquidation. He now feels he was scammed from the outset.

Mr L raised a scam claim with Nationwide via a representative and they explained they did not have enough evidence to carry out a full assessment. But from what they knew, it appeared X was a legitimate company that had failed, so they did not agree to reimburse Mr L. The complaint was referred to our service and our Investigator issued a view agreeing with Nationwide. They highlighted they had not been provided with any evidence to show Mr L had been the victim of a scam and it appeared X was a legitimate firm.

Mr L's representative disagreed with the findings and felt the payment of £30,000 should have triggered as unusual on Nationwide's system. They maintained X was operating a Ponzi scheme and asked for a decision on the complaint.

As an informal agreement could not be reached, the complaint has 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.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time.

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 Mr L authorised the payment in question as he believed it was part of a legitimate investment. So, the starting position in law is that Nationwide was obliged to follow his instruction and process the payment. Because of this, he 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 Mr L's account safe.

The payment of £30,000 was high in value, and I can see the funds came from Mr L's pension withdrawal. So, I do think the payment was unusual when compared to his everyday spending. I've therefore considered whether a conversation with Nationwide would reasonably have prevented Mr L from carrying on with the payment. And on balance, I don't think it would. I'll explain why in more detail.

Mr L's representative has not provided any evidence for me to consider, such as brochures he would have seen, agreements he signed or any other paperwork he may have looked over. They have said the returns promised were unrealistic, but I have seen no evidence of these promised returns. It is therefore difficult for me to agree that this case meets the high bar of an authorised push payments scam rather than a failed investment with a genuine firm. I have seen nothing to suggest X was not a genuine company that entered liquidation and while I accept Mr L did not receive any returns, this alone does not evidence a scam.

With nothing further for evidence X was operating a Ponzi scheme or any other form of scam, I think it is unlikely a conversation between Mr L and Nationwide at the point that he made the £30,000 transfer would have prevented him from making the payment. On balance, I do not think Nationwide would have had any concerns about the payment Mr L was making at the time. It follows that I do not agree they need to reimburse him in the circumstances.

My final decision

I do not uphold Mr L's complaint against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 16 December 2025.

Rebecca Norris
Ombudsman