

## **The complaint**

Mrs F is unhappy that Nationwide Building Society won't refund payments she made because of an investment scam.

## **What happened**

In summary, in January 2025, Mrs F made 2 payments for £200 and £350 to a company that offered to make investments on her behalf. She went to make a third larger payment for £10,000 in a Nationwide branch but was told by the staff that most likely she was sending money to a scammer. The payment was then declined, and latterly Mrs F checked her account with the company and saw her balance had been reduced significantly.

Mrs F complained to Nationwide about what happened and asked for the 2 payments she did make to be refunded to her. Nationwide responded and said it didn't think it did anything wrong as the two payments sent were made through Mrs F's card, which is not covered by a reimbursement scheme. It said Mrs F did attempt a much larger payment, which it did intervene on and stop. It said though that it had made a mistake in that one of its staff told Mrs F that she would likely receive a refund. It said because it provided misinformation it would pay Mrs F £50 for the distress and inconvenience that it caused for doing this.

Unhappy, Mrs F brought her concerns to our service to investigate. The investigator said not every complaint we see are to do with a scam. He said from his research he could see the FCA had warned about the company involved here, but it was to do with it not being regulated in this country. He said he hadn't seen enough information that this was a scam. That said he said he appreciated Nationwide felt it was and intervened when Mrs F tried to make a large payment to it. He said with regards to the first 2 smaller payments, considering the value of them, he wouldn't have expected Nationwide to have intervened here. Overall, he concluded Nationwide didn't make a mistake.

Mrs F was not happy with the outcome and asked for an ombudsman to look at her complaint. She said Nationwide had a new rule where it would refund anyone who had been scammed but this didn't come in until May 2025, so her complaint is just out of time with this as well.

## **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.

Having done so, I've reached the same outcome as our investigator for these reasons:

- The starting position in law is that Mrs F is responsible for the payments she made. And Nationwide has a duty to make the payments she tells it to.
- But, as supported by the terms of the account, that doesn't preclude Nationwide from making fraud checks before making payment. And, considering regulatory expectations and good industry practice, I'm satisfied that it should fairly and

reasonably do this in some circumstances.

- That said, the disputed transactions Mrs F did make don't fall part of the Payment Systems Regulator's reimbursement rules for authorised push payment scams, which was introduced from 7 October 2024. This is because she made the 2 payments on her card, a payment method that is not included within the rules.
- Mrs F has mentioned to our service that Nationwide had introduced new rules itself to reimburse for all scam related payments from May 2025. I have had a look into this, and can't see anywhere that this is the case, but it may well be that Mrs F was informed about the PSR rules that came in from 7 October 2024, that I have just described. I am aware that banks have been amending their terms and conditions to incorporate these rules, and some were updated in and around May 2025. So, it may be that these were the rules Mrs F was referring to, and it doesn't matter either way, because her disputed payments are not included in the PSR rules.
- But in any case, it is clear to me that Nationwide has wider obligations to consider making fraud checks, so I have gone on to consider, first whether there was a scam here, and if there was, whether Nationwide ought to have intervened sooner.
- I have read what the investigator concluded and the findings from his research and can see what he is saying about the contents of the FCA warning. I also can't say for sure after reading this, and reviews online whether there was a scam here, or whether it was a case, that the company in question was just not regulated by the FCA.
- That said, Nationwide decided when Mrs F tried to make her third larger payment in branch, that on balance it was a scam. It intervened and put a block on her payment and had decided it had seen enough to do this. After what I've read and seen, I don't think it was wrong to do this. The payment was out of character for Mrs F and was to an entity that had regulator's warnings and mixed reviews online. It made a call to protect Mrs F in that moment, and the fact Mrs F couldn't provide evidence to show it was a genuine investment, or tried to make the payment again, or that she is now complaining that it was a scam, suggests it wasn't wrong to take this action.
- This leads me on to the issue that is still in dispute: the first two payments. Mrs F would like these amounts refunded to her, as she says they were part of a scam. I don't know for sure that this was the case, as I have already concluded, but even if I was to say they were fraudulent, I wouldn't uphold Mrs F's complaint or ask Nationwide to refund these payments anyway.
- I have drawn this conclusion after looking at Mrs F's account history. I'm not persuaded these two payments appeared so uncharacteristic that Nationwide ought to have suspected she was falling victim to a scam. They were over the course of a few days; they weren't significant in value; and Mrs F had made similarly sized (and larger) payments previously.
- Given the value of the payments and how they were broadly in keeping with Mrs F's spending, I don't think it's enough to say the payments looked significantly uncharacteristic or risky on this occasion.
- It follows that I don't consider it remiss that Nationwide processed the payments in line with the instructions without completing further checks. After all it must balance protecting Mrs F from fraud with its corresponding duty to make the payments she

tells it to in a timely manner.

- I do appreciate how disappointing this will be for Mrs F, but for the reasons I've explained I don't think her losses can be attributed to something Nationwide did wrong. As I have explained, it is not the case that even though it has concluded Mrs F was a victim of a scam, it doesn't automatically mean she would be refunded all of her payments. Instead, I would need to see whether it intervened at the right times or whether it made any mistakes in this regard. I think it did when it intervened on the third payment, and on this occasion, I don't think it ought to have done earlier. So, I don't uphold her complaint.
- Finally, I think its offer and payment of £50 for the misinformation it provided was fair and reasonable.

### **My final decision**

For the reasons I've explained, my final decision is that I do not uphold Mrs F complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F to accept or reject my decision before 5 November 2025.

Mark Richardson  
**Ombudsman**