

## **The complaint**

Mr O complains that Nationwide Building Society (“Nationwide”) hasn’t protected him from losing money to a scam.

## **What happened**

The background to this complaint is well known to both parties, so I won’t repeat everything here. In brief summary, Mr O has explained that between December 2023 and February 2024 he made numerous payments from his Nationwide account for what he thought was a legitimate investment. Mr O subsequently realised he’d been scammed and got in touch with Nationwide. Ultimately, Nationwide didn’t reimburse Mr O’s lost funds, and Mr O referred his complaint about Nationwide to us. As our Investigator couldn’t resolve the matter informally, the case has been passed to me for 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.

Having done so, I’ve decided to not uphold Mr O’s complaint for materially the same reasons as our Investigator.

First, let me say, I’m really sorry if Mr O has been the victim of a scam here. Fraud can have a major impact financially and emotionally, and Mr O has my sympathy. However, I have to remain impartial here. Ultimately, Mr O has suffered his loss because of fraudsters, and this doesn’t automatically entitle him to a refund from Nationwide.

The Contingent Reimbursement Model (CRM) is a voluntary code introduced in 2019 to reimburse consumers who are the victims of scams in certain circumstances. However, the CRM code doesn’t apply to card payments like those which were made in this case. This means it would only be fair for me to tell Nationwide to reimburse Mr O his loss (or part of it) if I thought Nationwide reasonably ought to have prevented the payments (or some of them) in the first place, or Nationwide unreasonably hindered recovery of the funds after the payments had been made; and if I was satisfied, overall, this was a fair and reasonable outcome.

I’m satisfied Mr O authorised the relevant payments. Nationwide would generally be expected to process payments a customer authorises it to make. And under The Payment Services Regulations and the terms and conditions of the account, Mr O is presumed liable for the loss in the first instance, in circumstances where he authorised the payments. That said, as a matter of good industry practice Nationwide should have taken proactive steps to identify and help prevent transactions – particularly sufficiently unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam.

However, there are many payments made by customers each day and it’s not realistic or reasonable to expect Nationwide to stop and check every payment instruction. There’s a balance to be struck between identifying payments that could potentially be fraudulent, and

minimising disruption to legitimate payments (allowing customers ready access to their funds). And I'm satisfied that I agree with what our Investigator explained and concluded about this – that bearing in mind the prior activity on Mr O's account but also because of the balance that needs to be struck, that these payments wouldn't individually, or collectively spaced as they were, have met what I think would have been a reasonable threshold in this case in order for Nationwide to be concerned by them to the level whereby I'd expect it to have intervened in them. I won't unnecessarily repeat here the rationale around this that our Investigator explained, which I agree with. This means I am therefore not persuaded that it would be fair to hold Nationwide responsible for Mr O having made and lost these payments.

In deciding this, I've considered everything Mr O's representative has sent us, including what it's said about remote access software that Mr O has said he downloaded. But I understand that these payments were initiated using Mr O's card, and Nationwide would have received Mr O's payment instructions from the merchant's payment platform rather than directly from Mr O's device. Again, I agree with what our Investigator said about this. I haven't seen anything that persuades me Nationwide's fraud monitoring systems, applying a proportionate approach, ought to have been expected to have flagged these payments. And I can't fairly say I'd reasonably expect Nationwide to have intervened in them.

I also haven't found that Nationwide unreasonably failed to recover the payments once Mr O let it know that he'd been scammed. The only potential avenue for recovering card payments like this would be via the chargeback scheme. But time limits apply to chargeback claims. It looks like, given the delay in Mr O's reporting the fraud to Nationwide, that by then the time limits would have expired. But in any event, given the merchants Mr O paid, chargebacks likely couldn't have succeeded anyway, as they would have been directed to the merchants paid (not the scammers) who likely would have been able to show that they sent the money to the recipient(s) Mr O instructed them to or otherwise provided the intended services. So I don't think this money was reasonably recoverable by Nationwide through chargeback or otherwise.

I'm sorry if Mr O was scammed and lost this money. However, despite my natural sympathy, I can't fairly tell Nationwide to reimburse him in these circumstances.

### **My final decision**

For the reasons explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 3 December 2025.

Neil Bridge  
**Ombudsman**