DRN-5707698

The complaint

Ms F complains that Nationwide Building Society won't refund her the money she lost as a result of a scam.

What happened

The background to the scam is familiar to the parties, so I won't set it out in detail here, but will simply summarise it.

Briefly, in July 2024, Ms F received a phone call from someone claiming to be from Nationwide. Unfortunately that person ultimately turned out to be a scammer. They told Ms F that her card was being used in an electronics store far away. The scammer knew some of Ms F's card details and where she was based. They also knew that she had an account at another bank ("M"). After Ms F confirmed that she was unaware of the transaction in question, the scammer told her to move the money in her Nationwide account to her account at M while they secured her Nationwide account.

Ms F made the following transfers to her account at M:

	Date	**Time**	**Amount**
1	4 July 2024	14.30	£6,000
2	4 July 2024	14:32	£2,100
		Total	**£8,100**

Shortly after, Ms F received another call from someone pretending to be from M. They told her that her account at M might also be at risk, as her online banking with Nationwide had been compromised, and the scammers would know where she'd sent the money. Unfortunately, the scammer was behind this call too. The scammer already had some of the card details for Ms F's account with M. He told Ms F he'd move her money to an encrypted account at Nationwide, which would call her to explain how to access the money. But the scammer then used the card for Ms F's account with M to make two payments, totalling £8,448.30, to an account at a third party and Ms F quickly realised that she'd fallen victim to a scam.

One of our investigators considered the complaint, and thought it should be upheld. In summary, she said that if Nationwide had intervened as she thought it should have done, Ms F wouldn't have ended up making the payments and her loss could have been prevented. She considered Ms F's complaint about M separately, and thought it should have stopped the second of the two payments made from Ms F's account with M. So she said Nationwide should refund the whole of the value of the first payment Ms F made from her account with M, and half the value of the second payment, with interest on the refund.

Ms F accepted the investigator's view, but Nationwide disagreed, so the complaint was passed to me.

My provisional decision

On 11 July 2025 I issued a provisional decision to Ms F and to Nationwide. I said:

> "*I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.*
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> *It's not in dispute that Ms F has fallen victim to a cruel scam, and I was sorry to learn of this. It's also common ground that the payments made to the scam were 'authorised'. Ms F knew she was sending money to her own account with M. So even though she didn't intend the payments to end up with a fraudster, the payments were 'authorised' under the Payment Services Regulations. Nationwide had an obligation to follow the payment instructions it received, and Ms F is presumed liable for her loss in the first instance. But that's not the end of the story.*
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> *In deciding what's fair and reasonable, I'm required to take into account relevant law and regulations, regulators' rules, guidance, standards and codes of practice and, where appropriate, what I consider to have been good industry practice at the time. Taking those things into account, I think that at the time the payments were made, Nationwide should have been doing the following to help protect its customers from the possibility of financial harm:*
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> - *monitoring accounts and payments to counter various risks, including fraud and scams;*
> - *keeping systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things) – especially given the increase in sophisticated fraud and scams in recent years, with which financial institutions are generally more familiar than the average customer;*
> - *acting to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring that all aspects of its products, including the contractual terms, enabled it to do so;*
> - *in some circumstances, regardless of the payment method used, taking additional steps, or making additional checks, before processing a payment, or, where appropriate, declining to make a payment altogether; and*
> - *being mindful of - among other things – common scam scenarios, how fraudulent practices were evolving (including, for example, the common use of multi-stage fraud by scammers), and the different risks these can present to consumers when deciding whether to intervene.*
>
> *When considering whether Nationwide acted fairly in processing the payments to Ms F's account with M, I need to consider the information it had at the time. Both payments were to an established account in Ms F's own name. And Ms F had made payments to the account before. So I think Nationwide would reasonably have been reassured that Ms F wasn't making payments to an account that a scammer had asked her to open to facilitate a scam.*

While the payments were a lot of money for Ms F, and were significantly higher than payments she typically made from the account, they weren't so high that I think Nationwide ought to have been concerned about them based on their size alone. I acknowledge there was only a couple of minutes between the two transfers. But while I recognise that multiple payments in quick succession to a third party can be concerning, payments to an established account in a customer's own name carry a significantly reduced risk. And the second payment was considerably lower than the first payment, so there was no sign of a pattern of increasing payments, which is what often happens in scams.

Overall, I'm not satisfied that it would have been reasonable to expect Nationwide to intervene when Ms F made the transfers to her account at M.

I'm sorry to disappoint Ms F. I don't underestimate the effect that being the victim of a scam will have had on her. But having thought carefully about the circumstances here, I don't consider that Nationwide (which had no involvement in the scam itself) can fairly be held responsible for her loss."

And I said that my provisional decision was that I didn't uphold the complaint.

Further submissions

Nationwide accepted my provisional decision. Ms F's representative commented that there was additional compelling information that the scammer provided to Ms F, which I didn't mention in my provisional decision. He said this included the make of Ms F's phone, where she was based and where her online banking was held. Ms F's representative commented that the fact that the scammer had all those details made the claim that they were calling Ms F from Nationwide all the more convincing.

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.

I'd like to reassure Ms F and her representative that I can fully understand how convincing the scammer would have appeared, especially given all the information they had about her. I sympathise with Ms F and am very sorry indeed that lost money to a scam.

However, I can only uphold her complaint against Nationwide if I consider that the information that Nationwide had when the payments were made should have prompted it to intervene. Nationwide didn't know about Ms F's conversation with the scammer. And for the reasons I set out in my provisional decision, based on the information Nationwide had at the time, there was nothing about the payments which I consider ought to have prompted it to intervene or question Ms F about what they were for, or why she was making them.

So I'm sorry to disappoint Ms F, but my decision remains that I can't fairly uphold her complaint against Nationwide. As Ms F is aware, I've dealt with her complaint against M separately.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 19 August 2025.

Juliet Collins
Ombudsman