

The complaint

Mr R complains that Nationwide Building Society won't refund the full amount of money he says he lost to a scam.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

Mr R complains that he set several payments to what he thought was a legitimate investment.

When Mr R realised he had lost his money, he raised a complaint with Nationwide.

Nationwide looked into the complaint but didn't uphold it, so Mr R brought his complaint to our service.

Our investigator looked into the complaint but didn't uphold it. Our investigator didn't think the payments being disputed were of a value that ought to have triggered Nationwide's automatic payment checking system. He also didn't think Nationwide could have recovered the money.

As Mr R didn't agree with the investigator's view, the complaint has been passed to me to decide.

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'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the significant part here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

In line with the Payment Services Regulations (PSR) 2017, consumers are generally liable for payments they authorise. Nationwide is expected to process authorised payment instructions without undue delay. As a bank, it also has long-standing obligations to help protect customers from financial harm from fraud and scams. However, there are many

payments made by customers each day and it's not realistic or reasonable to expect a bank 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.

Having considered the size of the individual payments, I'm satisfied they were not of a value or remarkable enough to have triggered Nationwide's payment checking process. The payments were also spread across different days and don't show any characteristics of what we would normally attribute to a scam.

I must also consider that not every payment going to cryptocurrency providers will be part of a scam, and that it would be wholly impracticable for financial firms to block every cryptocurrency payment made from their payment facilities, as trading cryptocurrency on its own isn't an illegal activity.

So, I don't find Nationwide did anything wrong when they didn't stop Mr R's payments.

Nationwide did stop a payment of £3,000 at the end of the scam and spoke to Mr R, which is when he realised the investment wasn't legitimate. This payment was of a value that I think ought to have concerned Nationwide, so it intervened in the correct place.

Mr R's representative has said he was vulnerable at the time he made the payments. I'm sorry to hear of the challenges Mr R is facing. I have considered this point carefully, but I've not seen any information to show me Nationwide were aware of any vulnerabilities at the time the payments were sent. Also, as I don't find that Nationwide needed to intervene any sooner, there wouldn't have been any opportunities to pick up on this having not spoken to him.

It is worth noting that Mr R hasn't supplied any of his cryptocurrency statements from the accounts where the money was sent. So, it's also not been sufficiently evidenced that Mr R suffered a loss after it entered his wallets.

Recovery

Because the scam payments were made via debit card, the only potential avenue for recovery would have been via a chargeback claim.

The chargeback scheme is a voluntary scheme set up to resolve card payment disputes between merchants and cardholders.

Nationwide is bound by the card scheme provider's chargeback rules. Whilst there is no 'right' to a chargeback, I generally consider it to be good practice that a chargeback be raised if there is a reasonable chance of it succeeding. But a chargeback can only be made within the scheme rules, meaning there are only limited grounds and limited forms of evidence that will be accepted for a chargeback to be considered valid, and potentially succeed.

I don't consider that a chargeback would have had any prospect of success in this case. This is because the payments went to a legitimate provider and were then moved on to the scammer.

So, I don't think Nationwide could have done more to attempt to recover Mr R's funds in this instance.

Mr R feels that Nationwide should refund the money he lost due to the scam. I understand that this will have been frustrating for him. But I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Nationwide needs to pay Mr R any compensation. I realise this means Mr R is out of pocket and I'm sorry he has lost this money. However, for the reasons I've explained, I don't find I can reasonably uphold this complaint.

My final decision

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 R to accept or reject my decision before 17 February 2026.

Tom Wagstaff
Ombudsman