

The complaint

Mrs B and Mr S are unhappy that Nationwide Building Society (“Nationwide”) won’t refund them after they say they fell victim to a purchase scam.

Mrs B made the payments from their joint account, and it was she who fell victim to the scam – so I have referred to her throughout this decision.

What happened

I’m not going to cover all the points raised in detail. The view of 20 August 2025 covered the details of Mrs B and Mr S’s testimony. But briefly in October 2024 Mrs B was looking to book flights for her and her family. She searched the internet and came across an organisation I will refer to as T. Communications between Mrs B and T continued over a social media messaging forum. On 28 October 2024 on the instructions of T, Mrs B transferred £2,696 to a genuine travel agent (M). On 30 October 2024 Mrs B paid a further £1,137 to another genuine travel agent (S).

Sometime later Mrs B called the flight company directly to discover it had no flights booked in her name. It then transpired the tickets Mrs B had paid for had been booked in somebody else’s name. T said it would refund her and then it stopped communicating with her. It appears T was a clone of another company.

Nationwide said this was a civil dispute.

Our investigator upheld the complaint. He said looking at the messages Mrs B had with T, it looked like her money was used to pay the tickets for other people, for example she was told to put different names unrelated to anyone in her family as the reference for each payment. He therefore felt Mrs B had been the victim of a scam. He went on to consider whether Nationwide should refund Mrs B under the Reimbursement Rules. He recommended that it should refund her the money she lost less £100 excess he considered it would be fair for it to deduct.

Mrs B had nothing further to add to the investigator’s conclusions.

Nationwide didn’t feel it was fair for it to carry full liability. It contacted the receiving firm at the time, and it replied confirming it had concluded this a civil dispute involving a legitimate company. It therefore felt responsibility should be shared equally between both the sending and receiving firm. As, in accordance with the Reimbursement Rules, costs are meant to be split 50/50 between the sending and receiving firms for eligible payments. Given the receiving firm’s involvement in assessing the transaction, and its failure to flag any concerns, or correctly assess the claim, it considers its role should be considered when determining liability.

Nationwide did say it would be willing to provide a 50% refund of the total amount and 8% interest from the claim decline date to date of settlement but it wanted the remaining amount to be refunded by the receiving firm.

The investigator said that, had Nationwide understood the nature of the scam, it would have been able to inform the receiving firm that it was satisfied there was a valid claim despite the receiving firm's account not being actively involved in the scam/fraud.

I wrote to Nationwide informally explaining why I felt it was responsible for refunding Mrs B in full (less the excess). Nationwide didn't provide any further arguments but requested that I issue 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 reached the same conclusion as our investigator broadly for the same reasons.

When considering what is fair and reasonable, I'm also required to take into account: relevant law and regulations; regulatory rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The Reimbursement Rules came into force on 7 October 2024 and apply to all UK-based Payment Service Providers (PSPs). They put a requirement on firms to reimburse APP scam payments made via the Faster Payments Scheme (a similar set of rules covers CHAPS payments), in all but very limited circumstances.

In this case I've first considered whether the Reimbursement Rules and associated guidance issued by the PSR are relevant to the payments in dispute. Where they are relevant, I must have regard to the rules and guidance, as well as considering what is fair and reasonable in all the circumstances of the complaint.

The Reimbursement Rules set out the requirements for a payment to be covered. I've summarised those below:

- The payment must have taken place after 7 October 2024 and have been reported within 13 months after the date of the final covered payment of the scam claim; and
- It must have been made as part of an APP scam (whether to a recipient or for a purpose otherwise than the payer intended); and
- It must have been authorised by the account holder; and
- It must have been made to another UK account that was not under the control of the consumer.

There's no dispute that the above criteria apply to the Faster Payment made by Mrs B.

In order for a payment to be 'reimbursable' under the Reimbursement Rules it must meet the following criteria, which again have been summarised:

- The Exception does not apply or the consumer was a vulnerable consumer at the time the payment was made.
- The consumer is not party to the fraud, and is not claiming dishonestly or fraudulently.
- The payments were made in relation to a fraud, rather than in circumstances only giving rise to a private civil dispute.
- The purpose of the payment was not unlawful.

And a PSP will be responsible for reimbursing a maximum of £85,000 from any single APP scam claim.

The Reimbursement Rules set out that the value of the Reimbursable Amount to be credited shall be the full value of all Reimbursable FPS APP scam payments, up to the maximum level of reimbursement and less any claim excess imposed.

Again, it's my understanding there's no dispute about any of the criteria above applying, including whether the excess can be fairly applied.

It seems that Nationwide does now accept Mrs B has been the victim of a scam. And it hasn't disputed the investigator's findings under the Reimbursement Rules – except for issue of sharing liability with the Receiving PSP. Mrs B also accepted the investigator's view. But for completeness I do agree with the investigator's conclusions.

In summary, despite the money going to legitimate travel agent accounts, it's clear Mrs B was deceived into transferring funds to relevant accounts not under her control and *the payment was not for the purpose she intended*.

I also agree there are no exceptions to reimbursement that apply in this case. The investigator concluded that Nationwide's intervention did not meet the standard set out in the guidance. The warnings in this case were not specific or relevant to the scam Mrs B was falling victim to and so Nationwide can't fairly say Mrs B moved past its intervention with gross negligence.

I also think that it would be fair for Nationwide to apply an excess to the reimbursement if it chooses to do so. Mrs B accepted the investigator view and I've seen nothing in her circumstances to suggest she was vulnerable to the extent that this had a 'material impact' on her ability to protect herself from the scam.

So, I have gone on to consider Nationwide's position that it should fairly split its liability with the Receiving PSP and only refund Mrs B 50% of her losses.

Under the Reimbursement Rules it is the Sending PSP that holds primary responsibility for managing and reimbursing victims. The Rules state that Sending PSPs must reimburse customers for valid APP scam claims. The Sending PSP is responsible for assessing the claim including determining whether the claim is a valid claim under the Reimbursement Rule's scopes and definitions.

Section 3.12 says

Sending PSPs must:

1. *collect notifications of reported FPS APP scam claims from their Consumers in accordance with clause 4.1.*

In turn, section 4.1 says:

If a Sending PSP receives a reported FPS APP scam claim from their Consumer, the Sending PSP must notify the Receiving PSP, using the RCMS where possible, within two Business hours of the FPS APP scam claim being reported by the Consumer by submitting the following information:

(5) any proportionate or reasonable evidence held by the Sending PSP confirming or explaining that the payment was not made to the recipient intended by the Consumer or that the payment was received for a purpose other than that intended by the Consumer.

Whilst I appreciate the Rules do state that the Sending PSP should *take into account any information provided by the receiving PSP* it is ultimately the Sending PSP's responsibility to make the assessment of the claim.

I think if Nationwide had assessed the claim fully at the time and gathered proportionate and reasonable evidence (such as the chat messages Mrs B had with the scammer) it would have enabled Nationwide to understand the true nature of the scam. With that in mind, it would have been apparent to Nationwide that the Receiving PSP would not have been in a position to assess whether Nationwide's customer had actually been victim to a scam. In other words, the information the Receiving PSP could provide was essentially irrelevant due to the nature of this particular scam. And Nationwide would have been in a position to confirm to the Receiving PSP that the payments it received was *for a purpose other than that intended by the consumer* (thereby meeting the definition for the purpose of the rules) and explain why that was despite the recipient account being legitimate.

Section 5.2 (b) of the Reimbursement Rules says

The Receiving PSP is not liable to pay any amount in relation to...

(b) any amount the Sending PSP makes to its consumer after it has closed an FPS APP scam claim, whether by reimbursement or rejection. This includes any payment made as a result of a court or Alternative Dispute Resolution decision subsequent to the closing of the FPS APP scam claim.

I am only considering the case against Nationwide here (and Mrs B has not raised a complaint against the Receiving PSP). But I think the Rules are clear about the position – both in terms of the Sending PSPs overarching responsibilities here but also about the position of the Receiving PSPs liability after a claim is closed - as is the case here. As I don't think Nationwide should have declined this claim based on the information it could reasonably have obtained at the time, it has missed the opportunity to recover money from the Receiving PSP.

Putting things right

In order to put things right Nationwide Building Society should:

Reimburse Mrs B and Mr S's loss in full (so £3,833) less £100 excess if it chooses to deduct this.

Add 8% simple interest on the above refund from the date it declined the claim until settlement.

My final decision

My final decision is that I uphold this complaint, and I require Nationwide Building Society to put things right for Mrs B and Mrs as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B and Mr S to accept or reject my decision before 4 March 2026.

Kathryn Milne
Ombudsman