

The complaint

Miss G complains that Nationwide Building Society won't refund the money she lost when she was the victim of what she feels was a scam.

What happened

In early 2025, Miss G was contacted by a man via a social media platform. They started talking, first via the social media platform and then via an instant messaging service. And their relationship developed to the point where they were messaging most days, and Miss G thought they were in a romantic relationship.

After a few months, the man told Miss G he needed to send money to his family but was unwell. So he asked if she could send him some money, which she did. Shortly after, he then again asked her to send him some money so he could make a payment, which she also did.

I've set out the payments Miss G made to the man from her Nationwide account below:

Date	Amount
3 April 2025	£500
11 April 2025	£500

Unfortunately, the man didn't pay Miss G back and she became increasingly concerned at the delays and excuses she was given, to the point where she felt she had been the victim of a scam and reported the payments she had made to Nationwide.

Nationwide investigated but said the payments Miss G had made weren't covered by the relevant scam reimbursement rules and it didn't think it would otherwise have been able to prevent her making the payments. So it didn't agree to refund the money she had lost. Miss G wasn't satisfied with Nationwide's response, so referred a complaint to our service.

One of our investigators looked at the complaint. They didn't think Nationwide was required to refund the payments Miss G had made, or that anything we would have expected it to have done would have prevented her loss. Miss G disagreed with our investigator, so the complaint has been passed to me.

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.

In broad terms, the starting position in law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. However, where the customer made the payment as a consequence of the actions of a fraudster, it may sometimes be fair and reasonable for the bank to reimburse the customer even though they authorised the payment.

In 2024, the Payment Systems Regulator required the Faster Payments scheme operator to introduce rules to require firms to reimburse customers who had been the victim of authorised push payment scams. These Reimbursement Rules came into force on 7 October 2024 and require firms to reimburse consumers who are the victims of scams in certain circumstances. However, the rules only apply to payments made to an account held in the UK.

The payments Miss G made here were sent to an account held in Gibraltar. And Gibraltar, while being a British Overseas Territory, is not part of the UK. So the Reimbursement Rules don't apply to the payments she made, and I can't require Nationwide to apply them or to reimburse her as a result of them.

While the Reimbursement Rules don't apply here, the regulatory landscape, along with good industry practice, sets out requirements for firms to protect their customers from fraud and financial harm. So, in line with this, I think Nationwide should have been monitoring accounts, had systems in place to look out for unusual transactions and, in some circumstances, have carried out additional checks before processing payments.

But the payments Miss G made here weren't for particularly large amounts, or for amounts I would have expected Nationwide to identify as suspicious based on their size alone. Miss G had made a number of payments out of her account for what I consider to be similar amounts in the months before these payments. And the payments didn't use up a suspicious proportion of the available balance in her account or leave the balance of her account at a particularly unusual level.

So I don't think it's unreasonable that Nationwide didn't identify that she could be at risk of financial harm as a result of these payments, and didn't carry out any further checks or take any further action before allowing them to leave her account.

I also don't think it's likely anything I would reasonably have expected Nationwide to have done would have led to any of Miss G's funds being recovered from the account they were sent to, or that there are any other grounds on which I would expect Nationwide to refund Miss G here.

I sympathise with the position Miss G has found herself in. I'm also in no way saying she did anything wrong or that she doesn't have a legitimate grievance against the man she sent the money to. But I can only look at Nationwide's responsibilities here and, for the reasons I've explained above, I don't think there are any grounds on which I can require Nationwide to refund the payments she made here.

Nationwide has accepted that it failed to correctly set up a scam claim for Miss G when she first called to report the payments. This led to her having to call in again and to explain the circumstances of what had happened a second time, which I think will have been distressing and inconvenient for her. But I think the amount Nationwide has paid her is fair and reasonable compensation for the distress and inconvenience this failure caused. And so I don't think it would be fair to require Nationwide to pay anything further.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 20 March 2026.

Alan Millward
Ombudsman