

The complaint

Miss C complains that Nationwide Building Society (Nationwide) won't refund the money she lost as a result of two scams, an investment recovery and job scam.

What happened

The detailed background to this complaint is well known to both parties and the following is a brief summary of what happened.

Miss C complains that Nationwide failed to protect her from two scams which caused her financial losses totalling £13,917.

Scam 1

Miss C explains that she thought she'd been the victim of an investment scam in 2022, resulting in the loss of USD250, and how a representative (the scammer) of a fake company later contacted her and told her that he had found her lost funds. Also, that her investment had since grown between £35,000 and £61,000 and that for a fee this could be recovered.

As Miss C was struggling financially, she made the following seven payments from her Nationwide account to accounts she held with two regulated financial firms (Firm V and Firm R) who she used to pass funds onto the scammer.

Payment Number	Date	Payment Method	Payment to	Amount
1	29/8/24	Transfer	Miss C account with Company V	£300
2	17/10/24	Transfer	Miss C account with Company V	£170
3	30/10/24	Transfer	Miss C account with Company R	£180
4	31/10/24	Card	Miss C account with Company V	£50
5	14/10/24	Card	Miss C account with Company R	£300
6	27/12/24	Card	Miss C account with Company R	£18
7	2812/2424	Card	Miss C account with Company R	£300

After making the last payment Miss C realised she had been scammed.

Scam 2

In January 2025, Miss C was searching online for remote work and came across a commission-based data optimisation job with (fake) Company I.

After discussing and agreeing to the job she was given access to a fake platform and assigned a mentor who informed her that she would need to deposit her own funds to top up her balance to complete time limited sets of tasks.

Miss C borrowed money from family and took out a £10,000 loan (with a different financial firm) to pay the scammers. Miss C made the following fourteen payments, totalling £12,598.76, to her account with a legitimate crypto company (Company C) and then onto the scammers' crypto wallet.

Payment Number (continued)	Date	Payment Type	Payment to	Amount
8	16/1/25	Transfer	Miss C's account with Company C	£20.00
9	18/1/25	Transfer	Miss C's account with Company C	£72.00
10	18/1/25	Transfer	Miss C's account with Company C	£162.00
11	19/1/25		Miss C's account with Company C	£0.10
12	19/1/25	Card payment	Miss C's account with Company C	£250.54
13	22/1/25	Card payment	Miss C's account with Company C	£169.18
Sub-total A 8 to 13				£673.82
14	22/1/25	Bill payment	Miss C's account with Company C	£5,000.00
15	22/1/25	Card payment	Miss C's account with Company C	£2,059.80
16	23/1/25	Bill payment	Miss C's account with Company C	£1,700.00
17	27/1/25	Bill payment	Miss C's account with Company C	£500.00
18	27/1/25	Bill payment	Miss C's account with Company C	£851.72
Sub-total B 14 to 18				£10,111.52
Total				£12,598.76

Miss C realised it was a scam after Nationwide intervened on a further payment Miss C attempted, for a different / new scam, on 29 January 2025.

Miss C complained to Nationwide, seeking a refund of her losses, as she feels they failed to protect her from both scams.

Nationwide considered that they should've intervened at payment number 14 (for £5000) and that this action would've likely unravelled the scam. So, they paid Miss C a 50% refund of this and subsequent payments which totalled £5,055.76. Also, they provided her with a £100 compensation payment.

Miss C was dissatisfied with their offer and brought her complaint to our service.

Due to an incorrect transaction report which showed additional payments had been made by Miss C (two payments of £849.21 on 22 January 2025 and one for £115 on 27 January 2025) our investigator thought Nationwide hadn't given Miss C a 50% refund of payment number 14 and because of this his view was that they should provide an additional refund payment.

However, Miss C was dissatisfied with his view and asked for her complaint to be considered by an Ombudsman.

I issued my provisional decision on 16 January 2026, and this is what I said:

I've considered the relevant information about this complaint.

My provisional decision is different to the outcome of that reached by our investigator as there was confusion over what transactions were included in Nationwide's offer and I consider Nationwide to have treated Miss C fairly. So, I'd like to give both parties an opportunity to respond.

The deadline for both parties to provide any further comments or evidence for me to consider is 30 January 2026. Unless the information changes my mind, my final decision is likely to be along the following lines.

If I don't hear from Miss C, or if they tell me they accept my provisional decision, I may arrange for the complaint to be closed as resolved without a final decision.

What I've provisionally 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, my decision is to not uphold this complaint, and I'll explain why.

I should first say that:

- *I'm very sorry to hear that Miss C has been the victim of these two cruel scams and lost a significant amount of money here.*
- *I'm satisfied that the APP Scam Reimbursement Rules, introduced by the Payment Systems Regulator in October 2024, for customers who have fallen victim to an APP scam, don't apply to card payments or payments made to accounts under a customer's control. The same applies to the August 2024 payment, under the Lending Standards Board's Contingent Reimbursement Model (the CRM Code).*
- *Regarding efforts to recover Miss C's loss. As the payments to the scammers were to a crypto exchange and then onto them, I don't think Nationwide could've been expected to recover the funds.*
- *The Payment Services Regulations 2017 (PSR) and Consumer Duty are relevant here.*

PSR

Under the PSR and in accordance with general banking terms and conditions, banks and building societies should execute an authorised payment instruction without undue delay. The starting position is that liability for an authorised payment rests with the payer, even where they are duped into making that payment.

There's no dispute that Miss C made the payments here, so they are considered authorised. However, in accordance with the law, regulations and good industry practice, a building society should be on the look-out for and protect its customers against the risk of fraud and scams so far as is reasonably possible. If it fails to act on information which ought reasonably to alert a prudent banker to potential fraud or financial crime, it might be liable for losses incurred by its customer as a result.

Building Societies do have to strike a balance between the extent to which they intervene in payments to try and prevent fraud and/or financial harm,

against the risk of unnecessarily inconveniencing or delaying legitimate transactions.

So, I consider Nationwide should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks such as anti-money laundering and preventing fraud and scams.*
- Have systems in place to look for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks and building societies are generally more familiar with than the average customer.*
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.*

Consumer Duty

Also, from July 2023 Nationwide had to comply with the Financial Conduct Authority's Consumer Duty which required financial services firms to act to deliver good outcomes for their customers. Whilst the Consumer Duty does not mean that customers will always be protected from bad outcomes, Nationwide was required to act to avoid foreseeable harm by, for example, operating adequate systems to detect and prevent fraud. Also, look out for signs of vulnerability.

Although Miss C has provided information on her vulnerabilities and I'm satisfied that she is a vulnerable person, I can't see that Nationwide would've known about this until after they discussed (and stopped) another scam with her after the final payment on 27 January 2025. So, I don't think it would be fair or reasonable to have expected Nationwide to have put in place an intervention prior to this date. Also, I found that Nationwide were very supportive when they did realise that Miss C was vulnerable.

Nationwide accept they should've done more here. Upon reflection they think they should've intervened (on the second scam) at payment number 14, for £5000, and prevented some of Miss C's loss. But Miss C thinks Nationwide should've noticed she was at risk of financial harm at the start of both scams and prevented all her loss.

So, I looked closely at the payments for both scams to determine if Nationwide should've recognised Miss C was at risk of financial harm and intervened at an earlier point.

Payments 1 to 7 (Scam 1)

Having looked closely at these payments and Miss C's statements, I don't think any of these payments should've caused Nationwide concern and triggered an intervention. This is because of the following combined reasons:

- They were all for relatively low amounts and, although she didn't make them very often, Miss C had previously made payments for similar amounts.*
- Nationwide process thousands of payments each day and, as mentioned above, they have to strike a balance between the extent to which they intervene in payments to try and prevent fraud and/or financial harm.*
- The payments were to regulated financial firms who would've had a fuller picture*

of the subsequent payment, which would've meant the payment had a lower risk factor with the high likelihood of further due diligence.

- *The payments were spread over five months and there was no obvious scam pattern, such as a high velocity of payments in quick succession.*

Payments 8 to 13

Although Nationwide had information that these payments were going to a crypto company and such transactions do carry a higher risk, it is both legal and common for consumers to use and / or invest in cryptocurrency. So, as these payments were also relatively small and there was no obvious scam pattern, I also wouldn't have expected Nationwide to have been concerned and to have looked to intervene.

Payment 14

Nationwide don't dispute that they should've intervened on this much larger payment to a crypto company that had an elevated risk and, as Miss C was open and honest when they did put in place a human intervention on a later payment, that this would've likely unravelled the scam and stopped her payment 14 to 18 losses.

I agree with Nationwide that this strongest type of intervention was necessary and would've likely unravelled the scam. Also, that they are liable for Miss C's losses from payment 14 and should provide her with a refund.

I then considered whether it was fair and reasonable for Nationwide to share liability.

Contributory Negligence

There's a general principle that consumers must take responsibility for their decisions. With this in mind, I considered whether Miss C did enough to protect herself from scam 2.

Although I recognise how convincing these cruel scammers are and appreciate her very trusting nature and the personal difficulties she was facing that had an impact on her, I don't think she did enough.

I think she ought reasonably to have had concerns about the legitimacy of the job offered given the returns for basic tasks. Also, a requirement to send funds in cryptocurrency to acquire the profits she'd supposedly earned. In addition, it was an unsolicited job offer via a messaging service app and not receiving a formal contract should've been seen as very unusual and warranted her to exercise greater caution and do more research. Furthermore, she was paying more money to the scammer than she was receiving back.

Considering both parties made errors here, as much as I have genuine empathy for Miss C's loss and distressing experience, I think it is fair and reasonable for Nationwide to share liability where both they and the customer are equally at fault for the loss.

Finally, regarding Nationwide's compensation payment, given they ought to have prevented some of the loss from occurring. As distress and inconvenience has been caused by the cruel scammers, rather than Nationwide, I don't think it would be fair and reasonable to require them to make a further payment.

So, having considered all the above, I'm sorry to disappoint Miss C but I'm not upholding this complaint and asking Nationwide to provide any further refund.

My provisional decision

For the reasons mentioned above, my provisional decision is not to uphold this complaint against Nationwide Building Society.

This is subject to any comments that either Nationwide Building Society or Miss C may wish to make.

These must be received by 30 January 2026.

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.

Further to my above provisional decision, with a deadline of 30 January 2026, Nationwide Building Society accepted it but I didn't receive a response from Miss C.

So, as no further arguments or evidence have been produced by Miss C in response to my provisional decision, my view remains the same. I therefore adopt my above provisional decision and reasons as my final decision.

My final decision

For the reasons mentioned above, my final decision is not to uphold this complaint against Nationwide Building Society.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 2 March 2026.

Paul Douglas
Ombudsman