

The complaint

Mr P complains that Nationwide Building Society will not fully refund the money he lost to a scam.

What happened

Mr P engaged the services of a roofer to do some work for him, this person had been recommended by a gardener that Mr P had used to trim some trees, who had said they had spotted some issues with the roof. The roofer told Mr P there were various issues with his roof that needed to be rectified and, over around ten days in February 2024 Mr P made various payments via cheque and faster payment to the roofer and to individuals associated with the roofer. In total, he paid £85,000 for the work - £26,000 via cheque and £59,000 via faster payments.

After the work had been completed Mr P's son became concerned that the work had not been necessary, and arranged for a builder to come and review what had been done. The builder stated that the work done should have cost far less than Mr P had been charged, and Mr P noted that he'd not had any problems with the roof prior to being told it needed work. And after the work had supposedly been completed he began to have new issues, which needed remedial work.

Mr P later discovered that the roofer was being investigated by Trading Standards and that a criminal investigation was also ongoing into the actions of individuals associated with the roofer. Mr P reported the matter to Nationwide, but Nationwide said that this was a civil matter, not a scam, and therefore did not agree that it had any liability for Mr P's loss.

Mr P, represented by his son, referred his complaint to our service. One of our investigators looked into what had happened, and they felt that there was evidence to show that Mr P had more likely been the victim of a scam. So, they asked Nationwide to refund Mr P's loss under the lending standards board's Contingent Reimbursement Model Code, which was in place at the time these payments were made, and because they felt that better intervention from Nationwide would be likely to have uncovered the scam.

Ultimately, Nationwide agreed that Mr P had most likely been the victim of a scam, so it agreed to refund the payments which were covered by the CRM Code – the faster payments totalling £59,000. But it did not agree that it should be liable for the cheque payments Mr P made, as it did not consider it could have done any more to uncover the scam when it discussed payments with Mr P. Mr P and his son feel that Nationwide could have done more to uncover the scam, and so could have prevented the majority of the payments from being made, so they believe Mr P should be entitled to a refund of the majority of his loss (excluding the first cheque payment).

As no agreement could be reached this case was passed to me for review. I issued my provisional decision on this case on 8 January 2026, explaining why I felt that it was not reasonable to ask Nationwide to refund the cheque payments Mr P had made.

Mr P's son has responded setting out why he still considers that Nationwide did not do enough to protect Mr P from this scam. He maintains that Nationwide did not show a proper duty of care to Mr P given his age and what he had told it about the payments he was making, Mr P's son feels Nationwide should have probed Mr P in much more detail.

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 my provisional decision I explained the following:

“The Lending Standards Board Contingent Reimbursement Model Code (the Code) was a voluntary code which set out a number of circumstances in which firms are required to reimburse customers who have been the victims of certain types of scam. The Code was in force at the time these payments were made, and Nationwide was a signatory to the Code. However, the Code only applies to certain types of payments - it does not cover cheque payments, so in Mr P's case the Code only applies to the faster payments he made.

The Code required firms to reimburse customers who have been the victim of authorised push payment scams, like the one Mr P fell victim to, in all but a limited number of circumstances. It appears that all parties are now in agreement that Mr P is entitled to a refund of the payments covered by the Code that he made as a result of this scam – the faster payments totalling £59,000 – so I do not intend to comment any further on that particular aspect of this complaint.

The issue that remains to be considered is whether Mr P should also be entitled to a refund of the cheque payments, which are not covered by the Code. When considering the cheque payments, the relevant regulations are the Payment Service Regulations 2017. Those regulations state that an account holder is liable for payments they have authorised. And there is no dispute here that Mr P did authorise the cheque payments made to the scam. That means Mr P is responsible for those payments in the first instance, and that remains the case even though Mr P was the unfortunate victim of a scam.

Because of this, Mr P is not automatically entitled to a refund of those cheque payments. But the regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams.

Taking the above into consideration, I need to decide whether Nationwide acted fairly and reasonably in its dealings with Mr P, or whether it should have done more than it did.

I've thought very carefully about this, and have listened to the call recordings of Mr P's conversations with Nationwide about the payments he made. Having done so, I don't consider that there is any more Nationwide could have done to protect Mr P from this scam or to bring it to light.

I appreciate that Mr P is an older gentleman, and therefore potentially more at risk of this type of scam, and Nationwide would also have understood this. But I'm satisfied that Nationwide did ask appropriately probing questions of Mr P regarding these payments, but that nothing Mr P said or did would or should have caused Nationwide additional concerns.

Obviously, Mr P's son knows his father best, and that might mean he is better placed to recognise if Mr P did not sound like his usual self, but to me (and, I think, reasonably to the staff members he spoke to at Nationwide) Mr P sounded confident, sure of the actions he was taking, and did not sound like he was under undue pressure or stress.

With this in mind, I think it was reasonable for the staff members he spoke with to take Mr P's answers to their questions at face value, and Mr P told them at various points:

- *the company had been recommended by someone he knew;*
- *they were not based particularly far away;*
- *he had got the account details in person;*
- *he knew the amount he was paying was not unreasonable as he had a friend who had similar work done and it cost a similar amount;*
- *he was happy with the work being done – in the later call with the bank he says the work has been completed and is a 'good bit of work' and that he asked the roofers to do further work for him (on some fascias) as he was happy with what they had done so far;*
- *when asked if he had seen issues with the roof, Mr P told Nationwide that there had been loose tiles and that when 'we' had gone into the loft they had seen that loft stringers and beams were rotten, suggesting that he had seen this damage himself.*

I appreciate that Mr P was making payments to several different individuals, but while this could certainly have been a potential indicator of something untoward it could also simply be – as Mr P stated when questioned by Nationwide – that the roofer wanted funds sent to particular accounts for their own reasons. Looking at the whole picture, I don't think that what Mr P told Nationwide when he was questioned should have caused it any significant concerns or led to it invoking the banking protocol or taking any other actions to intervene. Everything Mr P had said suggested that he was happy with the roofers, and he did not say anything that I think would have raised a particular red flag regarding him potentially being the victim of a rogue trader scam – such as being doorstepped by a trader or being pressured for payments when little to no work was being done.

I'm sorry to disappoint Mr P, and I appreciate this issue has had a very significant impact on him financially and emotionally, but I don't think it would be fair to say that Nationwide could have done anything more to protect Mr P from this scam. I therefore think it is reasonable for Nationwide to refund the payments covered by the CRM Code, but I won't be asking it to refund the cheque payments, as I don't consider that those payments could have been prevented."

I appreciate Mr P's son taking the time to respond to my provisional decision in detail. It's clear he feels very strongly that Nationwide should not have taken Mr P's answers at face value when it questioned him about the payments he was making, and I can entirely understand why he feels that way.

But listening to the relevant calls, from my position as an independent third party, and bearing in mind the evidence and information available to Nationwide at the time those calls took place, I remain satisfied that Nationwide questioned Mr P appropriately, and that I wouldn't expect it to have probed him in more detail given what he told it. In my view Mr P came across as fairly self-assured, and confident in the payments he was making and who he was making them to, and much of what he told Nationwide did not indicate that he was likely to be the victim of a scam.

Nationwide has a delicate balance to strike between protecting customers from scams and allowing them to make the payments they want to make. And while I appreciate that Mr P is an older gentleman, and so could potentially be at a higher risk of falling victim to a scam, in the specific circumstances of this case I do think that Nationwide's intervention was reasonable and proportionate given what Mr P told it and how he came across.

I don't think that any of the answers Mr P gave would have raised any particular red flags with Nationwide which should have led to it asking more detailed questions. I appreciate that, with the benefit of hindsight, there are questions that could have been asked that might have brought this specific scam to light. But at the time it spoke to Mr P, and with what it knew and was told at that time, I don't consider it was unreasonable for Nationwide to allow these payments to be made. It follows that, as the cheque payments are not covered by the provisions of the CRM Code, and as I don't believe Nationwide could reasonably have prevented them, I don't think it would be fair to ask Nationwide to refund the cheque payments now.

Putting things right

To resolve this complaint Nationwide should:

- refund to Mr P the £59,000 of faster payments he paid to the scammer; and
- pay 8% simple interest per annum on that refund from the date Nationwide declined Mr P's claim to the date of settlement.

My final decision

I uphold this complaint in part. Nationwide Building Society should now put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 5 March 2026.

Sophie Mitchell
Ombudsman