

The complaint

Mrs N complains that Nationwide Building Society ('Nationwide') hasn't refunded the money she believes she lost to an authorised push payment ('APP') scam.

What happened

The circumstances of the complaint are well-known to both parties. So, I don't intend to set these out in detail here. However, I'll provide a brief summary of what's happened.

In or around, early 2024 Mrs N was looking to purchase a campervan and came across a company that I'll call 'Company C'. Company C ordered, converted and built custom campervans. Satisfied with everything, Mrs N agreed to purchase a campervan from Company C.

As part of the agreement, Mrs N was required to pay a 30% non-refundable deposit to Company C, with the remaining 70% due in two instalments. One payment of 40% was due when the campervan arrived in the UK and passed inspections, and the final payment of 30% was due upon the completion of the custom build.

Mrs N paid the initial deposit of £22,500 on 18 March 2024. In April 2024, Mrs N received communication that her campervan had been purchased, had arrived in the UK, had passed all inspections and was awaiting delivery to Company C's factory where it could be built to specification. Mrs N then paid the second instalment, paying £30,000 across two payments on 25 and 26 April 2024.

Sadly, Mrs N never received her campervan and Company C entered into administration. Mrs N believed she had been the victim of fraud and reported the matter to Nationwide.

Nationwide investigated, but said it considered what had happened wasn't fraudulent but a civil dispute between Mrs N and Company C. So, it didn't agree to refund the payments Mrs N had made.

Unhappy with Nationwide's response, Mrs N referred a complaint to our service.

One of our Investigators looked at the complaint. They didn't think there was sufficient evidence to conclude that Company C had been operating a scam, so didn't think Nationwide were liable to reimburse the payments Mrs N had made.

As Mrs N disagreed with our Investigator 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.

Mrs N has made detailed submissions in support of her complaint and in response to the Investigator's opinion. I've read and considered everything she's sent in and that's been sent in on her behalf, but I don't intend to respond in similar detail. 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 heart of the matter 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.

In broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations (in this case, the 2017 regulations) and the terms and conditions of the customer's account.

It's not in dispute that Mrs N made the payments in question. So, the payments were authorised and under the Payment Services Regulations, the starting position here is that Mrs N is responsible for the payments (and the subsequent loss) despite the payments being made as the result of an *alleged* scam.

At the time Mrs N made the disputed faster payments, Nationwide was signed up to the Contingent Reimbursement Model ('CRM') Code. The CRM Code provided additional protection from APP scams, but it didn't apply to every APP which ultimately resulted in a loss for a customer. For Mrs N's claim to be considered under the principles of the CRM Code, I'd need to be persuaded that it applies in her circumstances in the first instance.

The CRM Code can only apply to Mrs N's faster payments if they meet the CRM Code's definition of an APP scam. The relevant definition here is that Mrs N transferred funds to another person (or company as is the case here) for what they believed were legitimate purposes, but which were in fact fraudulent.

The CRM Code also says it doesn't apply to private civil disputes, such as where a customer has paid a legitimate supplier for goods or services but has not received them, they are defective in some way, or the customer is otherwise dissatisfied with the supplier.

Based on the evidence currently available, I'm not persuaded it's most likely that Mrs N has been the victim of an APP scam. As a result, I've decided not to uphold her complaint. I'm sure this outcome will be disappointing for Mrs N, so I'll explain why.

In order to determine whether Mrs N has been the victim of a scam as defined in the CRM Code I need to consider whether the purpose she intended for the payments was legitimate, whether the purposes she and Company C intended were broadly aligned and then, if they weren't, whether this was the result of dishonest deception on the part of Company C.

From what I've seen, I'm satisfied Mrs N made the payments here with the intention of purchasing a campervan. And I haven't seen anything to suggest that she didn't think this was legitimate. But I'm not satisfied the evidence I've seen shows that Company C didn't intend to act in line with the purpose for the payments it had agreed with Mrs N.

I've thought very carefully about this, and I acknowledge it is a finely balanced matter. But where the evidence available is unclear or inconclusive, I must make my decision on what I think is likely to have happened, based on the evidence I do have.

I appreciate Mrs N didn't receive the campervan she had agreed to purchase, which she had made two payments towards the purchase – with the second payment being on the understanding the campervan had been purchased, had arrived in the UK and was at Company C's factory ready for the final stage of the build and completion. So, I can fully understand why Mrs N considers what had happened to her was a scam. But companies can fail to provide goods or services they have agreed to supply for a number of reasons, and it doesn't necessarily mean they were operating a scam. So, I don't think this, by itself, is enough to show that Company C never intended to provide the campervan Mrs N intended to purchase.

I can see Company C had been listed on the governments' register of limited companies – Companies House and had filed accounts for a number of years before the payments Mrs N made. So, it appears it was a well-established company, and I wouldn't necessarily expect a company operating a scam to have been listed or filed accounts for such a significant period of time.

Our service has seen evidence relating to Company C's account. This information was provided in confidence to allow us to discharge our investigatory functions, and the beneficiary bank has provided that which is necessary to aid in the determination of this complaint. Due to data protection laws our service can't share any information about the beneficiary. While I can't share any details of this evidence, I can provide a summary of what it shows. In short, it shows payments from the account that are in line with the company's nature of business. These include payments to car importing companies, payments relating to vehicles and parts, payments to companies that provide equipment for campervans and payments in respect of wages, tax and insurance. I think this activity suggests Company C intended to buy and convert campervans, in line with agreements it had made with customers.

I've also seen a report by the interim liquidator of Company C from 25 February 2025. This report said that some of the vehicles at Company C's premises at the time of the liquidation were owned by customers who had paid for them in full – with these being collected by individuals upon proof of ownership. Another 16 vehicles at the premises were still owned by Company C and were in varying stages of completion. And the report explained there were a further five vehicles Company C had ordered from its import agent but that it had not yet paid for in full, which the agent had then sold. I think the fact that there were a number of vehicles on site that had been worked on to varying degrees, and other vehicles ordered, suggests Company C was at least attempting to fulfil orders.

In a later letter to customers of Company C, the joint liquidators said some customers had provided information or evidence suggesting the company had provided the same chassis or vehicle registration number to various customers, had provided chassis or registration numbers for vehicles they had not been able to locate, had sent the same 'stock' photo to multiple customers saying it was 'their' vehicle, and had misled them by providing evidence of their base vehicle being ordered when it had not been. And I note Mrs N was told her campervan had been purchased and had arrived in the UK, but Company C could not provide a chassis number as it didn't have "*specific details ie chassis number*".

But the liquidators' investigations also confirmed that Company C's records showed it had taken deposits from 61 customers for campervans that weren't provided prior to insolvency. And just over half of the 64 claims received were from people saying they had made second or third payments after being told their campervan had been purchased, and 23 of the questionnaire's customers had completed said they had made second or third payments after being told their campervan had been purchased. So, I don't think this suggests Company C was routinely telling customers their campervans had been purchased to encourage further payments from them.

And although the liquidators said that evidence provided from customers indicated that the same chassis or vehicle registration number had been provided to various customers, their investigations showed that only two customers had been provided with the same vehicle identification number. Which again doesn't suggest that this was a widespread issue and could simply be the result of an administration error.

I accept that the number of vehicles either converted or in the process of being converted was less than would be expected based on the number of people who had made second and third payments. But it also appears that some work was being undertaken to convert vehicles.

Company C's account statements also show that more customers made payments to Company C than the number of claims received by the liquidators, which suggests that some customers were receiving campervans as expected.

The joint liquidators also appointed a firm of solicitors to provide a view on whether Company C was involved in fraudulent activity, and I've seen the letter the solicitors provided in February 2025. This concluded that providing the same chassis number and stock photo to several customers was at odds with the contracts to provide custom built campervans and it could think of no other legitimate reason for the company doing this. But the solicitors also made it clear that the letter had been prepared on the basis that the allegations made were true, and it hadn't made its own investigations to determine the truth of the allegations, and it hadn't tested the strength of the evidence available. So, the solicitors' conclusions appear to be based on the same evidence the liquidators referred to above, which said that only two customers had been provided with the same vehicle identification number. And, as I said above, I don't think this suggests this was a widespread issue and could simply be the result of an administration error.

The solicitors also pre-empted their conclusions by saying that, if a company is in financial distress, it might provide chassis or vehicle registration numbers to customers prematurely. And that, if it was simply a case of a poorly managed business, it may be difficult to establish intent to deceive. It's also worth noting that the solicitor wasn't providing an opinion on whether the CRM Code's definition of an APP scam had been met.

I am aware there are other complaints with our service from other customers of Company C. And I understand the Insolvency Service is investigating the conduct of the director of Company C and a report has been passed to the police to consider. But these investigations are still ongoing, so I can't rely on any conclusions they may ultimately come to.

So, I'm not persuaded that the available evidence is sufficient to safely conclude that the purpose Company C intended for Mrs N's payments was different than the purpose Mrs N intended. And I don't think the circumstances here meet the definition of an APP scam as defined within the CRM Code, or that Nationwide has acted unreasonably in not agreeing to reimburse the money Mrs N lost as a result.

I sympathise with the position Mrs N has found herself in and I recognise that she has not received the campervan she made the payments towards. Mrs N has a legitimate grievance against Company C. But here, I can only look at Nationwide's responsibilities and, for the reasons I've explained above, I don't think it would be fair to hold Nationwide responsible for the money Mrs N has lost as I can't say her loss is, more likely than not, the result of an APP scam.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 7 May 2026.

Matthew Horner
Ombudsman