

The complaint

Mr and Mrs D complain that Nationwide won't refund the money Mr D lost to a job scam.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr D was looking to earn extra money to support his family and received a message about a job opportunity.

Mr D was offered a fake commission-based job liking videos to raise the profiles of businesses through search engine optimisation. The job was remote and part time and he was told that there was the potential for him to earn up to £5,400 per month.

Mr D was recruited, trained and an account was created for him, all of which made him think the job was legitimate.

After completing an initial set of tasks, Mr D was selected for a higher commission task which created a negative balance and required him to pay the company. So, to be able to continue with the job and earn higher rates Mr D then found it necessary to pay the fake employer.

The fake company required payment in crypto into their crypto wallet and they instructed and helped Mr D to open an account with Company K (a legitimate crypto exchange). Also, an account with Firm R (a regulated Electronic Money Institution) although he may possibly have already had this account.

Mr D borrowed money and then made the following payments to Company K and Firm R from his Nationwide account:

Payment Number	Date	Payment Method	Payee	Amount
1	21/8/25	Faster Payment	Mr D's account with Company K	£10
2	22/8/25	Faster Payment	Mr D's account with Company K	£30
3	22/8/25	Faster Payment	Mr D's account with Company K	£10
4	22/8/25	Faster Payment	Mr D's account with Company K	£100
5	23/8/25	Faster Payment	Mr D's account with Company K	£344
6	23/8/25	Faster Payment	Mr D's account with Company K	£980
7	23/8/25	Card	Mr D's account with Firm R	£1,970
8 – attempted and re-credited on 25/8/25	23/8/25	Faster Payment	Mr D's account with Firm R	£2,780

Mr D received some small credits which added to his belief that the job was genuine and encouraged him to do more work and pay increasing amounts to release tasks.

Nationwide intervened at Payment 8 and as they were suspicious about Mr D's answers to their security questions, they suspended his account and asked for him to provide information. When Nationwide realised Mr D was being untruthful to them, they confronted him and the scam was unravelled.

Mr D claimed a refund as the loss was large and he thinks Nationwide failed to protect him by not intervening at an earlier stage.

Nationwide rejected his claim. They said this was because the payments were made by Company K and Firm R and there was no recourse to recover the funds.

Mr and Mrs D were dissatisfied and brought a complaint to our service. However, our investigator couldn't see that Nationwide missed an opportunity to identify the payments were being made in relation to a scam.

Mr and Mrs D disagree and when requesting an Ombudsman review their points included the following:

- *'The evidence demonstrates a rapid, repeated and sharply escalating sequence of payments over a short three-day period, involving a recognised scam typology (task-based job scam) and transfers to a cryptocurrency platform followed by onward movement to an e-money account. Viewed holistically, this pattern presented objectively heightened indicators of APP fraud risk before the point at which Nationwide eventually intervened'.*
- *'A realistic opportunity existed for earlier intervention'.*
- *'Nationwide Building Society missed a realistic opportunity to intervene earlier in the escalating payment pattern and thereby prevent the £3,444 loss'.*

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, 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 Mr D has been the victim of this cruel job scam and Mr and Mrs D have lost a large amount of money and suffered significant distress.
- In making my findings, I must consider the evidence that is available to me and use it to decide what I consider is more likely than not to have happened, on balance of probabilities.
- 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 here due to the payments being made to other accounts opened in their name.
- Regarding efforts to recover Mr and Mrs D's loss. As the payments to the scammer were via a crypto exchange to their wallet which would've been immediately emptied, 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 Mr D 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 I've seen information which shows Mr D does have vulnerabilities, I can't see that these affected his decision making and that Nationwide had an opportunity to discuss risks and mitigation.

With the above in mind, I looked closely at the payments Mr D made to Company K and Firm R (one actual and one attempt) together with Mr and Mrs D's account activity and file notes to consider whether Nationwide should've recognised that they could be at risk of financial harm and put in place interventions to protect them.

Having done so, I'm sorry to disappoint Mr and Mrs D but I would've only expected Nationwide to have intervened on payment 8, and that is what they did.

For the following reasons, I'm not persuaded that they should've intervened on payments 1 to 7:

- Although cryptocurrency transactions were new to Mr and Mrs D and cryptocurrency does carry an elevated risk, it isn't unusual for customers to use or invest in cryptocurrency. Also, it isn't illegal to invest in crypto and Company K is a legitimate crypto exchange.

- Nationwide and banks process thousands of payments each and every day. It wouldn't be possible for them to intervene on them all and they 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.
- Regarding patterns that could be concerning or an indication of a fraud or scam:
 - It wasn't unusual for Mr and Mrs D to make more than one payment to a payee and they had previously made payments for amounts higher than transactions 1 to 6.
 - There weren't any unusual credits prior to payments 1 to 6 and there wasn't any material difference to the balance.
 - The first four payments on 21 and 22 August were for very low amounts – both individually and collectively (£150) – and there wasn't a pattern of consecutive payments increasing in value.
 - On 23 August 2025, the two payments (5, 6) and the previous day's last payment (4) were increasing in value. But they were still for relatively low amounts and then the next payment (7) was to a different payee.
 - Although this could potentially also be going to crypto, importantly, it was to a regulated firm that has a high bar for intervention. So, Nationwide could have a level of comfort that Firm R would have information on where the payments were going and would likely step in if there was a risk. Also, payment 7 was only slightly higher than a regular recurring payment and wouldn't have looked unusual.

I appreciate Mr and Mrs D don't agree but as payment 8 was higher than previous payments, to (what looks like) a new payee and funds had come in, I think it was at this point that there was a potential risk for Nationwide to enquire about. And that is what they did and fortunately their actions stopped a further loss from occurring.

Mr D was clearly under the spell of the scammer and I in no way blame him for listening to their strong coaching advice, sharing information about Nationwide's interventions and being untruthful to Nationwide when they intervened. However, even if Nationwide had intervened at an earlier point (on Company K transactions), I would've expected them to have used their dynamic automated system. And I think it more likely than not the scammers would've coached him on how to answer the questions so he didn't get to see any relevant warnings and education on job scams.

So, having considered the above and all the information on file, although I empathise with their financial loss and distress, I don't think it would be fair or reasonable to require Nationwide to provide Mr and Mrs D with a refund.

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 Mr D and Mrs D to accept or reject my decision before 22 May 2026.

Paul Douglas
Ombudsman