

The complaint

Mr W complains that Nationwide Building Society (Nationwide) refused to reimburse him for a recurring payment set up on his debit card without his consent. Mr W seeks an apology and requests Nationwide provide a list of all recurring payments set up on his account.

What happened

On 23 May 2024, Mr W noticed a pending payment of £15.95 on his Nationwide banking app that he had not authorised and alerted Nationwide and the merchant immediately.

Mr W was unhappy that Nationwide made the payment despite him raising his concerns and complained when they refused to refund it.

Although Mr W requested a full list of payees set up on his card Nationwide stated it was not possible to provide this information. So, Mr W asked that all recurring payments set up on his account be cancelled.

Further to contacting the merchant directly, Mr W received a refund for the disputed payment. But he remained unhappy with Nationwide's cooperation. He said that Nationwide should issue a public apology and provide details of the transactions requested and not refuse to refund unauthorised payments in future.

Nationwide said it could not see it had made any error. It said it was only possible for it to cancel a payment before the payment had debited the account. And it advised Mr W to contact the merchant. It also said it was unable to provide the information Mr W requested.

Our investigator on considering the matter did not uphold the complaint. She said as the payment was pending the bank was obliged to honour the request and referring Mr W to the merchant for a refund was reasonable in this instance as it helped in resolving the matter for Mr W.

As Mr W disagreed, the matter was passed to me to consider.

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.

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, I have come to the same conclusion as the investigator, for broadly the same reasons.

I can understand that this matter will have caused Mr W much frustration, and I see Mr W has other complaints against Nationwide relating to other issues - which are also with our service - and he has mentioned these in his submissions. I want to clarify that my review will be centred on addressing this specific issue only.

I've carefully considered all the evidence provided and I'd like to assure Mr W that if I don't mention a particular point, it's not because I haven't considered it, but I've focussed instead on what I believe to be important to the outcome of this complaint and no discourtesy is intended by this.

Mr W states he contacted Nationwide and the merchant on noticing the pending unauthorised payment and that Nationwide replied to say that the payment would proceed regardless of his wishes and then refused to refund it.

The starting position here, in line with the Payment Services Regulations 2017 (PSRs), is that if a customer tells their card provider in advance that they don't want a payment to go through, then the card provider should stop it. But It's important to note this can only happen if the customer lets their card provider know before the payment is called for by the merchant. If the payment is already pending, it's unlikely the card provider will be able to stop it.

I appreciate Mr W was expecting Nationwide to stop the payment when he requested it, but as the merchant had started the process of taking the payment, it seems it was already too late at that point for Mr W to request it be cancelled. So Nationwide as the card provider had no option but to continue to treat it as an authorised payment.

Having considered Nationwide's obligations based on the PSRs, I am satisfied that Nationwide acted fairly and reasonably by taking this action. By suggesting Mr W contact the merchant directly, it seems Nationwide also attempted to assist Mr W to resolve the issue.

Nationwide mentions a continuous payment authority (CPA) was set up in Mr W's name with the merchant that the payment went to. This gave the merchant permission to take multiple amounts as and when they are requested without interference from the bank. Mr W states he later discovered that the payment was towards a subscription renewal for software he did not require and that he had previously had problems with the same issue. And he was unaware that a recurring payment had been set up on his debit card.

I can see that on contacting the merchant directly, Mr W was reimbursed for the payment taken. And the refund was made back to his account on 19 June 2024.

I have seen no evidence of the CPA agreement that was in place between Mr W and the merchant but considering both parties have confirmed that the payment has now been refunded, and Mr W did not suffer any financial loss, I am satisfied that it does not make a difference here.

So, the issue that remains for me to decide is whether Nationwide should have provided the further information Mr W requested relating to other CPA's set up on his account.

Nationwide states it is unable to provide a list of all the CPA's Mr W has in place and instead directed him to check his bank statements or online banking for this information. I can understand why Mr W feels that Nationwide is being uncooperative in not fulfilling his request for this information, but CPA's are unlike standing orders, which are set up directly by the customer, and direct debits that have a signed mandate, in that they don't usually have a paper trail and are normally created online or on the phone with the merchant. In other words, they often look the same as other transactions on an account, where the card details are entered remotely. So, unless it's known when the next payment is due or how much it will be, it's very difficult to identify a CPA on an account.

I appreciate Mr W wants to review all the CPA's set up on his account so he can reassess what he wants to keep going forward, and that he wants to make sure no payments that he

has not authorised are not taken in the future. But based on how CPA's are not easily recognisable, it seems reasonable for Nationwide to have said what it said here.

Any CPA set up on the account ought to have been subject to an agreement between Mr W and the merchant, and although it is possible for Nationwide to apply a stop to a payment before it is requested, this doesn't necessarily mean that all future payments to the merchant would also cease because the underlying agreement still stands. If Mr W has changed his mind he should cancel this agreement with the merchant directly. Nationwide should take note that Mr W has removed his authority for such payments, and any future payments that do go through ought to be treated as unauthorised (unless there's clear evidence of further authorisation being granted). That could mean Nationwide needs to monitor the account and proactively refund any completed payments before pursuing a refund from the merchant itself. But unfortunately, it might be the case that Nationwide can't outright prevent them.

So, I am satisfied that Nationwide's suggestion to Mr W to check his online banking or statements should help with identifying any CPA's he no longer wishes to proceed with so he can contact the respective merchant to cancel the agreement. And Nationwide's Visa dispute team can also support in stopping any future payments before they are taken or refunding them after the event.

I can fully understand the additional inconvenience this matter caused Mr W and I glad to hear that the merchant involved reimbursed Mr W promptly. As I am satisfied that Nationwide has attempted to assist Mr W where it was possible for it to do so, I won't be asking it to do anymore here.

My final decision

I appreciate that my decision will disappoint Mr W but for the reasons set out above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 13 June 2025.

Sukhdeep Judge
Ombudsman