

The complaint

The estate of Mrs A has complained Nationwide Building Society won't refund various transactions which they didn't authorise.

What happened

Mrs A died in June 2024. She had reached an advanced age but had spent the previous six months being seriously ill with spells of being in hospital. The estate is represented by Mrs W, one of Mrs A's daughters. Mrs W registered a lasting Power of Attorney with Nationwide shortly after Mrs A became physically frail.

On 8 June shortly before Mrs A's death, Mrs W went into a Nationwide branch to complain about various card transactions being made on her mother's two accounts without her consent. She was told these would be reviewed. After her mother died, and the estate underwent difficulties in Nationwide managing the issues arising from the bereavement, Mrs W discovered that Nationwide didn't believe there was evidence of fraud and felt the disputes were the result of a civil dispute.

Mrs W brought the estate's complaint to the ombudsman service. She identified numerous cash machine withdrawals and card transactions along with a gym membership purchase which she believed had been carried out by her brother after he'd got hold of Mrs A's revised cards sent to her in February 2024.

Our investigator wasn't provided with the relevant information to show how these transactions were authorised. He felt, based on the estate's testimony, that Nationwide should refund £2,585.25 along with 8% simple interest.

Despite knowing what the PSRs state about authorised transactions, Nationwide continued to argue that this was a civil dispute. They've asked an ombudsman to consider the estate's complaint.

I completed a provisional decision on 29 October 2025. The outcome remained the same but I provided updated figures to Nationwide confirming the amount to be refunded to the estate.

Mrs W, on the estate's behalf, accepted this provisional outcome. Nationwide didn't.

Whilst they accepted that Mrs A most likely didn't authorise a gym membership, they felt it was not proven that Mrs A's son had used her cards without authorisation.

I now have all I need to complete my final decision.

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, I've reached the same outcome as I did in my provisional decision. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

It's worth stating that I can choose which weight to place on the different types of evidence I review, including technical evidence, provided by financial institutions along with complainants' persuasive testimony. I'm allowed to do this in my role as an ombudsman in reaching a decision balancing the different evidence presented to our service.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to the estate's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves. The burden of proof to show authorisation is placed on the financial institution.

Having reviewed the evidence, I believe there is sufficient to show that Mrs A most likely didn't authorise these disputed transactions. I say this because:

- Mrs W has explained that her brother was able to take their mother out in possession of her debit cards in February 2024. This included taking her into a Nationwide branch. This would explain how he was able to get control of Mrs A's debit cards and become aware of her PIN. This is obviously an assumption on my part but based on the testimony I've reviewed, I believe this is a reasonable one.
- Mrs A used one of her two Nationwide accounts to save for funeral expenses. A standing order of £54.45 credited this account on a weekly basis from Mrs A's other Nationwide account. There are no other transactions until disputed transactions start on 5 March and continue until 31 May 2024. I can see no explanation why Mrs A would be using her savings account or allowing another person – even her own son – to withdraw funds when she had spent so long putting regular savings into this account.
- Nationwide stated that they couldn't treat Mrs A's complaint as a fraud claim "*as the card and PIN has been used successfully*" and "*when a transaction has been completed and security measures were passed, this would be deemed a civil dispute*". This is fundamentally incorrect and doesn't consider an unauthorised individual taking a card and using the PIN without consent. Nationwide has provided nothing to substantiate their view that Mrs A may have authorised her son to use her card, as required by the PSRs. On the other hand, Mrs W has explained that her mother was practically house-bound and that during this period she was helping her, as she held her Power of Attorney.
- Mrs W was asked whether she'd be willing to prosecute by Nationwide. She confirmed she was. Nationwide didn't explain to her that to do this, she'd need to raise this fraud with the police. Mrs W left this discussion with Nationwide believing they'd be prosecuting this issue. It would be very unlikely that this would be the case, but I can understand that unless you've been a victim of fraud you may be unaware that as this is a criminal matter you'd have to take this up with the police yourself.

I'm satisfied there isn't enough evidence to show Mrs A authorised these transactions. I'm aware that our service has shared statements with Nationwide which highlight the disputed transactions. These total £5,834.91. Nationwide will need to refund that amount to the estate

of Mrs A, along with 8% simple interest a year.

It's clear that Mrs W has been through an intensely difficult period since her mother died. There were various issues with Nationwide dealing with Mrs A's bereavement in a timely manner. Nationwide subsequently offered £450 in compensation, which I believe is fair. I understand that £200 was paid into an old joint account Mrs W holds, but I've seen nothing to confirm that the remainder was paid so I've added that aspect into my direction to Nationwide.

Direct debits, which should have ceased on death, continued to be paid. I'm not entirely sure why Nationwide didn't refund these amounts immediately as these amounts were clearly unauthorised. That said, if Mrs A's home continued to use an energy supply or was subject to other domestic charges which may have needed to be paid after death, then some of these amounts may have needed to be paid, but that would have been something I'm sure Mrs W could have managed. I can see that Mrs W managed to get a refund from Mrs A's energy supplier.

My final decision

For the reasons given, my final decision is to instruct Nationwide Building Society to:

- Refund £5,834.91 to the estate of Mrs A;
- Add 8% simple interest a year from the date of the disputed transactions to the date of settlement; and
- Ensure that the compensation offered is properly paid to the estate of Mrs A.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mrs A to accept or reject my decision before 18 December 2025.

Sandra Quinn
Ombudsman