

The complaint

Mr M complains Nationwide Building Society (“Nationwide”) refuses to refund him for unauthorised transactions on his account.

What happened

The facts of this complaint are well known to both parties, so I won’t repeat them in detail here.

In short, Mr M says he logged into his online banking on 17 July 2025 and noticed some ATM withdrawals on his account which he didn’t recognise. Mr M says he doesn’t make ATM withdrawals on his account, and he doesn’t usually use his debit card either. Mr M says he uses ApplePay linked to his phone, and he doesn’t know how someone else has been able to use his card and PIN. Mr M says he then realised his card wasn’t in his possession, so he thinks it was lost or stolen in June 2025 with his card holder wallet and used by a third party to make these ATM withdrawals.

Mr M says Nationwide should refund these transactions as it has not been able to prove that Mr M authorised them. He is also unhappy these transactions were not flagged to him as fraudulent, considering he never uses his card to make ATM withdrawals. And he is unhappy with how Nationwide has handled his complaint.

Having been unable to resolve this complaint with Nationwide directly, Mr M brought his complaint to our Service. Our investigator carried out an independent review of all the information and evidence supplied but ultimately felt that there was no persuasive evidence as to how anyone other than Mr M could’ve carried out these transactions. So, she felt it wouldn’t be fair to ask Nationwide to refund them as unauthorised. She also didn’t feel that these transactions ought to have been flagged to Mr M as potential fraud. And the investigator considered the service Mr M received, but he hadn’t made any specific complaint points about why he wasn’t happy with how his complaint was handled and she didn’t make any findings of poor service or mishandling in her own investigation.

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.

Before I set out my thoughts, I want to acknowledge that I have summarised this complaint briefly and, in less detail, than has been provided. I’ve focused on what I think is the heart of the matter. Please rest assured that while I may not comment on every point raised, I have considered it. I’m satisfied that 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 and reflect the fact that we are an informal service and a free alternative for consumers to the courts.

A consumer should only be responsible for transactions made from their account that they’ve authorised themselves. Mr M has said he didn’t give any permission for the transactions in

dispute to be made but Nationwide believes he did. My role then is to give a view on whether I think Mr M more likely than not authorised the transactions, based on the evidence I have available.

I do this by looking at all the evidence, to reach a decision that takes this into account and is fair to both parties. That means I consider Nationwide's position as much as I do Mr M's. Where the evidence is incomplete or contradictory, I must make my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence.

The transactions in dispute are four ATM transactions which were carried out between 6 July and 10 July 2025. As ATM withdrawals, these could've only been completed using Mr M's genuine card and PIN. This is because the card chip would've been read, which from what we know, cannot be cloned.

In relation to the PIN, the technical evidence again shows that the correct PIN was used. There are no failed PIN attempts. There are 10,000 possible combinations of a four-digit PIN, so it's most likely anyone would correctly guess a PIN. So, whoever used Mr M's card must have known the correct PIN. The key factor here is how anyone other than Mr M, or someone authorised by him, could have obtained the card and found out the correct PIN.

Mr M now says he thinks his card was lost or stolen with his card holder wallet. He has provided evidence that he ordered a new card from his other bank in June 2025, but he says at that time he didn't realise his Nationwide card was missing. However, even if Mr M's card was stolen with his card holder wallet, this doesn't explain how someone else was able to discover his PIN.

Mr M says he has never shared his PIN or written it down. He says he hadn't used his PIN in about 12 – 24 months, so this rules out the possibility that someone shoulder surfed him entering the PIN at a payment terminal or ATM. And I've checked with Nationwide; they have no record of a new PIN being requested. So, there is no explanation as to how anyone else, without Mr M's consent, could've made these PIN transactions. And on that basis therefore, it is more likely that the transactions were authorised.

Mr M says Nationwide should've contacted him to alert him of the ATM withdrawals as these are out of character for his account. However, chip technology is complex and sophisticated, and there have been no known instances when the chip in the card has been successfully copied. This means that when the computer records show that the genuine card and chip has been used, the withdrawals are taken as not suspect. And it is not unusual for ATM withdrawals to be taken out of a debit card account, even if this isn't normal behaviour.

The account had sufficient funds and the time, and like I said, there were no incorrect PIN attempts or declined requests which might have looked like fraudulent activity. The account was regularly in use via his ApplePay and account transfers, and the amounts withdrawn were in the UK and within the daily withdrawal limit. So, I don't agree that Nationwide ought to have contacted Mr M regarding these transactions before processing them.

Mr M has made some general points about Nationwide not complying with its obligations under the FCA's consumer duty principles. But he hasn't made any specific points about why he thinks that, other than the fact his complaint wasn't upheld. The investigator asked for Mr M to respond with any other specific concerns in this area, but I can't see that he has. He also made a complaint about the fact that all the information about why his complaint wasn't upheld hadn't been shared with him by Nationwide. However, as set out by the investigator, he should get in touch about any specific information he would like from Nationwide, or complete a data subject access request.

I know this outcome will come as a disappointment to Mr M, but after considering all the evidence provided here, including the points raised after the investigator's outcome, I am not upholding this complaint. The evidence suggests it is more likely than not the transactions were authorised, so I think it is fair to hold Mr M liable for them. I also don't think that Nationwide had reasonable grounds to raise these as fraudulent at the time they were made, and I haven't found any serious failings in it's handling of this complaint. So, I will not be asking Nationwide to do anything further here.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 20 March 2026.

Sienna Mahboobani
Ombudsman