

The complaint

Mr M complains Nationwide Building Society won't refund transactions made from his account he says he did not make or authorise.

What happened

Mr M was on holiday abroad with friends. He went out one evening, remembers having a few drinks but then remembers nothing until the next morning. He later discovered transactions totalling £2,570 had been made from his Nationwide account to his account at another financial business, R.

Mr M reported these transactions to Nationwide as fraudulent. Nationwide said it wouldn't refund them because Mr M's registered device had been used to make the payments, and it thought they'd been authorised by Mr M. Following a complaint, Nationwide still refused to refund the payments. So, Mr M referred his complaint to our service.

An Investigator considered the circumstances. He said, in summary, he thought the transactions must have been authorised since there was no explanation for how Mr M's device could have been accessed by someone else.

Mr M didn't accept the Investigator's findings. He said he felt he could have been observed entering the passcode to his phone and banking apps.

As Mr M didn't agree, the complaint was passed to me. I issued a provisional decision. I've set out my findings again below and they form part of this decision.

Provisional findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Under the Payment Services Regulations 2017 ("PSRs"), generally, Nationwide can hold Mr M responsible for transactions he made or authorised.

Nationwide's evidence shows that Mr M's registered device was used to make the disputed transactions. Mr M doesn't dispute that, but says it wasn't him that made them. He says he remembers having a few drinks with friends on the evening of 11 July 2024 but doesn't remember anything after that. He says he woke up on a bench the next morning and his phone was broken. He didn't realise the disputed payments had been taken until his phone had been repaired a few days later.

Mr M has clarified since our Investigator's view that his phone passcode and R banking app passcode contain some of the same digits – though are different lengths. He says his Nationwide app passcode doesn't share any similar digits to the others.

Our Investigator concluded that Mr M must have been involved in the payments, otherwise they couldn't have happened. However, I don't think this makes a difference to the overall outcome of his complaint.

I say this because all the payments went to an account at R which was in Mr M's name. I accept that the payments from Nationwide facilitated other payments from R which Mr M also says he didn't authorise. But at the point the money left Nationwide, Mr M hadn't suffered a financial loss. So I don't find it would be fair or reasonable to require Nationwide to refund the transactions Mr M is disputing.

Any transactions made from Mr M's account with R would need to be raised with R. Mr M says he tried to raise the transactions with R but didn't find them helpful. I'm sorry to hear that's the case, but I still couldn't fairly require Nationwide to refund any money in these circumstances.

Responses to my provisional decision

Neither Mr M nor Nationwide responded to my provisional decision by the deadline we set.

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.

As neither Mr M nor Nationwide responded to my provisional decision, there's nothing new for me to consider. So, I see no reason to depart from my provisional findings.

My decision remains that Nationwide is not required to refund the disputed transactions for the same reasons as set out above.

My final decision

For the reasons I've explained, I don't uphold 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 November 2025.

Eleanor Rippengale
Ombudsman