

The complaint

Miss C says Nationwide Building Society (“Nationwide”) refuses to refund her for a direct debit indemnity claim and transactions on her account she says she didn’t authorise.

Miss C has appointed a personal representative who has brought this complaint on her behalf. However, for ease, I will simply refer to “Miss C” throughout my decision, even when referring to submissions made by her representative.

What happened

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

In short, Miss C says she checked her account on 31 April 2024 (I assume she means 1 May 2024) and noticed some unauthorised transactions on her account. She says there were credits in her account from a direct debit indemnity which she didn’t make, and there were also unauthorised card transactions and payments to an unknown beneficiary. So, she would like Nationwide to put things right.

Nationwide considered Miss C’s complaint but decided not to uphold it. It felt she had authorised these payments herself as it was not persuaded her account had been compromised and the card transactions had been authorised by 3DS. It also provided a recording from 30 April 2024 when it called Miss C to discuss the payments in dispute. During this call it verified Miss C and questioned the payments she was making. So, Nationwide says it thinks Miss C made the payments, so she should be held responsible.

Our investigator considered this complaint and decided not to uphold it. He felt that the evidence suggested it was more likely than not Miss C had made the transactions, so he didn’t ask Nationwide to do anything further. Miss C was not happy with this outcome. She said she didn’t receive the fraud call, and this must have been someone impersonating her. She also said she thinks she accidentally authorised the card payments on her device, but she didn’t make them.

As Miss C wasn’t happy with the outcome, the complaint has been passed to me for a 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.

Where there’s a dispute about what happened, and 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.

I’d like to reassure both parties that although I’ve only given an overview of what happened, I’ve read and considered everything we’ve been provided in its entirety.

This complaint is about credits received into Miss C's account via a direct debit indemnity claim, recovering payments Miss C had made to her car finance company for the past 12 months. Following this, 12 payments of £365.22 (a total of £4,382.64) were credited back into her account on 30 April 2024, and that same day two payments were made to a new payee (for a total of £4,500). Miss C disputes all this activity as unauthorised. She also disputes three card payments from her account on 1 May 2024, which she says she accidentally authorised as she thought they were her payments. So, I've looked at all the elements to decide whether I think this activity was authorised or not.

Nationwide has provided evidence to show that the direct debit indemnity to reclaim the money from her car finance was done online via webchat. This means whoever made this request was logged on to Miss C's online banking account at the time. Miss C told us she has never shared her online banking information with anyone else, and no one else has access to her phone. Miss C also says she has not accidentally or intentionally given anyone else a one-time passcode to log into her account. So, I've not seen any evidence to show how someone else would've been able to login to her online banking account without her knowledge or consent.

Following the direct debit indemnity, the money credited to Miss C's account was then sent to a new payee. This was also done online while logged into Miss C's online banking account. Nationwide recognised these high value payments as out of character for Miss C's account and called Miss C to discuss this. Nationwide called Miss C on her registered phone number and verified her by asking several personal security questions and a security question about her account. So, it was satisfied that it was speaking to the right person.

I have listened to this call, alongside two other calls Nationwide had with Miss C recently. Having done so, I am not persuaded this call was with a fraudster or someone else pretending to be Miss C. In fact, it sounds to me like it is Miss C on the call. I have thought about what Miss C's representative said about the information given during the call about Miss C purchasing of a car from a friend of her stepdad's being untruthful. However, in my experience people are often untruthful to their banks about the nature of their payments. And the fact that Miss C doesn't actually have a stepdad is not enough to persuade me that these transactions were not made by her.

Miss C also complained about three card payments made on her account on 1 May 2024. These were made to three different retail merchants using her debit card online. Miss C told us she hasn't given her card to anyone else at any time, but she accidentally authorised the payments by clicking to approve the payments via SMS. Miss C says she thought these were her own payments, so she authorised them. However, in doing so, Miss C gave Nationwide the authority to debit her account in these amounts. And as one of the payments were for £949.95, I think Miss C would've taken note of this and would've known this wasn't payment she had made before clicking to approve it.

Overall, I am not persuaded by Miss C's testimony or her version of events here. Having considered all the evidence I have, it seems unlikely that anyone else would've been able to carry out this activity on her account without her knowledge and consent. And having listened to the call Nationwide's fraud team made on 30 April 2024 to Miss C's phone number, I think it was Miss C who passed the security questions and confirmed she was making the payment. I think it is possible that Miss C was tricked into allowing a third party to access her account; or tricked into sending this money to a scammer and coached into telling her bank she was buying a car. But Miss C hasn't said this. And I must investigate the complaint which has been brought. In any event, I think Miss C should be held liable for these payments, so I am not asking Nationwide to do anything further.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 30 December 2025.

Sienna Mahboobani
Ombudsman