

The complaint

Mr O complains that Nationwide Building Society has declined to reimburse a payment that he says he didn't authorise. He's also unhappy with the way Nationwide handled his Visa chargeback claim.

What happened

The circumstances of this complaint are well known to both parties, so I won't repeat them in detail again here. But I'll provide an overview of events below.

Mr O has explained that back in December 2023 he was looking to buy return flights to Lisbon and saw a deal with an airline for around £168. He called a number on the airline's website and said he was put through to an agent at an online travel company (which I'll refer to here as 'B').

To secure the flights, Mr O paid 'B' with his Nationwide debit card. He recalls that 'B' had said the flights would be around £120, but then he noticed Nationwide had debited his account by £728.88, which he says isn't the amount he agreed to or authorised. The payment debited Mr O's Nationwide account on 21 December 2023.

Mr O said that he got in touch with Nationwide who suggested that he contact 'B'. Mr O emailed 'B' on 29 December 2023 saying he hadn't agreed to the amount he'd paid. He's said that he heard nothing more from 'B' and received no notification from them about the payment or the flights. Mr O said he went on to book flights with another company.

Nationwide declined to reimburse Mr O on the basis that he'd authorised the transaction by way of a One Time Passcode (OTP). Nationwide also rejected Mr O's Visa chargeback claim saying he was unable to provide the requested supporting evidence. It did however pay him £75 for giving him wrong information about the status of his claim.

When Mr O referred his complaint to the Financial Ombudsman, our Investigator didn't uphold it. In summary, she thought Nationwide had acted fairly in treating the payment as authorised, referring to the Payment Services Regulations 2017 (PSRs) not extending to authorisation needing to be for a particular amount.

Our Investigator was also satisfied that Mr O had likely received the OTP to authorise the payment – which confirmed both the merchant ('B') and the amount being debited (£728.88). Nor had she been provided with evidence from Mr O to demonstrate that 'B' had charged him the wrong amount for the flights.

Finally, our Investigator didn't think there was any reasonable prospect of Mr O having been able to recover his funds by way of a Visa chargeback claim, and she thought the £75 compensation Nationwide paid Mr O was fair.

Mr O didn't accept our Investigator's outcome and has asked for a final decision. Essentially, he maintained that he wanted Nationwide to refund the £728.88 – and that the £75 it had paid him wasn't enough. He thought this was an attempt by Nationwide to cover up the fact it had processed the payment by mistake.

Mr O's complaint has now been passed to me to decide.

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 agree with the conclusions reached by our Investigator for largely the same reasons.

I would like to say at the outset that I've summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there's a submission I've not addressed; it isn't because I've ignored the point. It's simply because my findings focus on what I consider to be the central issues in this complaint – that being whether Nationwide has acted reasonably in concluding Mr O authorised the disputed transaction and if it fairly dealt with his Visa chargeback claim.

I should also add that where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

In line with the PSRs, broadly speaking, Mr O isn't liable for payments he hasn't authorised. The PSRs explain that authorisation depends on whether the payment transaction was authenticated correctly and whether the consumer consented to it. The PSRs make no reference to the payment amount. So, if there was a mistake or Mr O was somehow tricked into paying a different amount to what he expected, for Mr O to be regarded as having consented to the payment under the regulations, it would be enough for him to have agreed to make a payment and willingly entered his details to authenticate it.

It isn't in dispute that Mr O intended to make a payment to 'B'. The payment was made using his Nationwide debit card and was authenticated by an OTP. The issue here is essentially that Mr O says 'B' charged him more for the flights than what he says he agreed to pay.

Further, Mr O doesn't deny receiving the OPT, providing us with the exact wording he received – which included the payment amount (£728.88) and its destination ('B'). But he's said that the OTP was received *after* the payment was processed and that he didn't authorise it. I'm afraid that on balance, I'm not persuaded by Mr O's testimony here. I'll explain why.

OTPs are *not* sent after a payment is processed, rather they're used as a layer of security to allow a transaction to be successfully completed once the customer has checked the payment details. The evidence suggests Mr O received an OTP, which made him aware of the amount he was paying and to whom. And it was this OTP, which Mr O has confirmed he didn't share with a third party, that was then used to consent to the £728.88 payment.

So, I find it more likely than not that Mr O used the OTP to allow the payment to be processed, therefore consenting to a payment for £728.88 to be made to 'B'. And in addition to that, I've not seen any evidence from Mr O to show that he was charged the wrong amount by 'B'.

On taking everything into account, it follows that in my judgement, on balance, it's more likely than not Mr O authorised the £728.88 transaction. And so, I won't be asking Nationwide to take any further action in this regard.

This is a difficult message for me to give as I know how strongly Mr O feels about this matter. But given the evidence I have, and on the balance of probabilities, I'm unable to reasonably reach any other conclusion.

Looking next at the Visa chargeback claim. For a claim to have any prospect of success, Mr O needed to be able to provide evidence to support it. That would include evidence to show that 'B' had charged him the wrong amount, and that he didn't receive the service he

paid for. But other than Mr O's own account, he's been unable to provide any communication from 'B' (only an email he sent to 'B' disputing the payment), nor has he provided anything to show that he purchased flights from elsewhere, as he's claimed. Given all this, I don't think it was unreasonable for Nationwide not to process Mr O's Visa chargeback claim, nor do I think there was any likelihood of such a claim being successful.

Nationwide did however accept that it wrongly told Mr O that his Visa chargeback claim had been closed. For this oversight, Nationwide apologised to Mr O and paid him £75. Mr O doesn't think this is enough and has suggested that Nationwide made this payment because it was admitting it wrongly processed the £728.88 payment. But this is a separate issue – with the £75 payment relating *only* to Nationwide's handling of Mr O's Visa chargeback claim. And having looked at what happened, I think £75 is a fair level of compensation and in line with what I'd have asked Nationwide to pay if it hadn't already done so. I won't therefore be asking Nationwide to pay more compensation in this regard.

My final decision

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision **before 10 February 2026**.

Anna Jackson
Ombudsman