

The complaint

Mr Q has complained that Nationwide Building Society won't refund transactions he says he didn't make or otherwise authorise.

What happened

Mr Q says that all the cash withdrawals on his account between late 2019 and late 2022 were made without his permission. He reported this in summer 2023.

Nationwide held Mr Q liable for the payments in dispute. They pointed out that the ATM withdrawals had been made with his card and PIN, which he'd said no one else had access to; the branch withdrawals had been signed for with signatures that matched his genuine signatures – even after he changed his name; the withdrawals were at his local branches or machines; he'd used the branches for genuine activity at the same time as disputed withdrawals; and he was checking his balance but didn't report the matter earlier.

Our Investigator looked into things independently and didn't uphold the complaint. Mr Q didn't agree, so the complaint's 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.

Broadly speaking, Nationwide can hold Mr Q liable for the payments in dispute if the evidence suggests that he authorised them.

First, I've considered the possibility that the withdrawals were made by someone who Mr Q didn't know – i.e. a third-party thief.

The withdrawals needed Mr Q's genuine card, and the correct PIN. Mr Q said his card was always with him, usually on his person, and was never out of sight. And I can see that Mr Q did have his card during the disputed period, as he used it for some undisputed spending. It's not likely or plausible that a thief could've repeatedly stolen Mr Q's card, used it, then somehow found Mr Q and put the card back on his person in time for Mr Q's next genuine use, all without Mr Q ever noticing. Mr Q suggested someone might have taken his card after it was swallowed at an ATM. But that only happened in late 2022 – at the end of the disputed period. It doesn't explain how someone would've consistently had access to his card from late 2019 onwards.

Mr Q explained that he didn't tell anyone his PIN, it wasn't used for anything else, it wasn't a number which could be easily guessed, and the only record of it was in a diary at home – which no one else had access to. He hadn't made any payments using his PIN in the recent time before the disputed activity started, so there was no opportunity for a thief to watch him enter it beforehand. And it's exceptionally unlikely that a thief would simply guess the PIN at random. So there's no likely or plausible way that a thief would've known Mr Q's PIN.

I might expect a thief to try to withdraw as much money as possible, as quickly as possible, before the account holder notices and blocks the account. But here, the withdrawals were made slowly, were spaced far apart, and a substantial balance was left untouched. So it seems unlikely they were made by a thief.

The branch withdrawals were made in Mr Q's usual branches, and it's unlikely that a thief would happen to look enough like Mr Q that they could impersonate him. More importantly, the withdrawals were signed for, and the signatures match the style of genuine signatures from Mr Q's correspondence with our service. The signatures also used Mr Q's new name once he changed his name – and he confirmed that only he and the staff knew about the name change. It's not likely or plausible that a thief would be able to reproduce Mr Q's signature so well, and even less so that they'd somehow know when he changed his name and be able to reproduce his new signature too.

As such, we can reasonably rule out that this was done by any third-party thief.

Next, I've considered the possibility that the withdrawals were made by someone who Mr Q knew, such as a friend or family member. It is technically possible that someone known to Mr Q could've made the transactions without his permission. But it's very unlikely. Mr Q lived alone and confirmed that no one else had access to his property. Even if a friend had watched Mr Q enter his PIN at some prior point or found his diary while visiting him, it's still exceptionally unlikely that they'd be able to take and replace his card so many times without him ever noticing for three years. It's also unlikely they'd be able to impersonate Mr Q in branch, and be able to reproduce his signature so effectively both before and after he changed his name. And Mr Q was confident that no one he knew could've done this, so he effectively ruled out this possibility himself.

Finally, I've considered the possibility that the payments were authorised by Mr Q or by someone he'd given his permission to.

This possibility is well supported by the evidence at hand. The payments were made with a card Mr Q kept on his person and never let out of sight, with a PIN which only Mr Q would have known, with signatures which fit with Mr Q's genuine signatures even after a name change that only a few people knew about, at Mr Q's usual branches and machines in his local area, by someone who the branch staff identified as being Mr Q.

The disputed payments were funded by deposits which Mr Q made in the same places as the withdrawals. And some of the branch withdrawals happened at about the same time as branch activity which Mr Q carried out himself and confirmed was him.

In the disputed period – late 2019 to late 2022 – there were very few payments out of the account aside from the disputed cash withdrawals. And Mr Q would need to have paid for his living expenses, like food, clothes, bills, and so on. Mr Q confirmed that he didn't have any other bank accounts, and he only kept £100 cash at home. He said a friend would give him cash if he was short, but it's not likely or plausible that he lived entirely off that for three years. It's far more likely that the disputed cash withdrawals were genuine, and that they were what funded Mr Q's day-to-day spending. It's also notable that Mr Q later disputed his withdrawals in 2024, but then cancelled that dispute and confirmed those were his own withdrawals. And the amount he said was in dispute kept changing. So it seems that Mr Q is having issues remembering his own genuine withdrawals.

I can see from Nationwide's records that they were sending Mr Q statements, to the same address he gave our service. Further, Mr Q confirmed that he would check his balance when he paid money in – which was frequently during the disputed period – and that he checked his balance after the failed withdrawal in late 2022. So he would've been aware of his balance at the time, which was thousands and thousands of pounds lower due to the since-disputed withdrawals. Yet Mr Q didn't tell Nationwide anything was wrong until summer 2023. It's not likely or plausible that Mr Q would wait so long to report the disputed payments if they were made without his consent. Whereas this fits well with the withdrawals being authorised, even if Mr Q no longer recalls making them.

I've not seen any evidence which makes it seem implausible or unlikely that Mr Q could've authorised these payments or given someone else permission to make them.

Lastly, Mr Q now says that he prepared papers to support his claim and gave them in at branch, but the branch staff lost them. However, there's no record of this happening on Nationwide's end, Mr Q hadn't mentioned this before, and Mr Q didn't provide any evidence of these papers or what they contained. So I'm afraid I'm unable to take them into account.

In summary, there's no likely or plausible way that an unknown person made these withdrawals, and it's not likely that someone known to Mr Q made them either – indeed, Mr Q himself seems to have ruled out that possibility. That leaves only one likely possibility – that Mr Q made the transactions or gave someone else permission to make them. And that possibility is strongly supported by the evidence at hand.

As such, I cannot fairly tell Nationwide to refund the disputed withdrawals. I know this will come as a disappointment to Mr Q, though it is not my intention to disappoint him. But given the evidence at hand, and the balance of probabilities, I'm unable to reasonably reach any other conclusion.

My final decision

For the reasons I've explained, I do not uphold Mr Q's complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 3 September 2024.

Adam Charles

Ombudsman