

The complaint

Miss L has complained that National Westminster Bank Plc (NatWest) won't refund a transaction she says she didn't make or otherwise authorise.

What happened

In summer 2024, Miss L's card and PIN were used for a point-of-sale payment of around £600 at a large retailer. She used her card and PIN for a genuine payment shortly after and checked her online banking.

The following day, Miss L reported the point-of-sale payment as unauthorised. She says that the retailer and her own genuine payment were too far away from each other to have been made in time. She says she'd never let anyone use her card and PIN, her card was kept on her person and was still in her possession at the time, her security details were not recorded or shared, and her PIN was not a number which was easy to guess such as her birthday.

NatWest held Miss L liable for the payment in dispute.

Our Investigator looked into things independently and didn't uphold the complaint. Miss L's representative asked for this to be looked at again, 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, NatWest can hold Miss L liable for the payment in dispute if the evidence suggests that she authorised it.

I'm satisfied from NatWest's technical evidence that the payment in dispute used Miss L's genuine card, and the correct PIN. The genuine chip in the card was read, and the correct PIN was entered on the point-of-sale terminal. I'm satisfied that this was not a cloned card and the PIN was not bypassed.

There was only one active card, which was kept on Miss L's person and which she did not lose – which we can confirm as she used the card for a genuine payment shortly after the disputed one. It's not likely or plausible that a thief would be able to steal the card, use it, find Miss L again, and return the card to her in time for her next payment, all without her noticing.

There's also no likely or plausible way that a thief knew Miss L's PIN without her consent. The PIN was not bypassed and it wasn't possible to learn the PIN from the card itself. Miss L's PIN was not recorded anywhere or shared with anyone, it wasn't a number which was easier to guess such as her birthday, and she'd not had any PIN reminders in years. She hadn't used her PIN in the recent hours before the disputed payment, so there was no reasonable opportunity for a thief to watch her enter her PIN then steal the card. She lived alone and didn't think someone she knew could've done this. And it's exceptionally unlikely that someone would happen to guess her PIN on the first try.

While this is a more minor point, I might have expected a thief to try to take as much money as possible, as quickly as possible, before the account is blocked. But there was only a single disputed payment here, with no declined payments or further attempted non-genuine payments, and the bulk of the account's balance was left untouched. And there's nothing else about the payment or activity which indicates fraud.

I do appreciate Miss L's arguments around the location of the payment. But the location on one's statements won't always match up to the actual location a payment took place in. Merchants commonly route payments through larger stores or offices, payment processors, and so on. Point-of-sale terminals can also be moved between stores. Given the particular circumstances of Miss L's complaint and all the other evidence at hand, I cannot reasonably uphold her complaint solely based on the stated store location.

I understand Miss L thought it might be suspect that the payment didn't show up on her statement at first. But that's normal – it can take differing amounts of time for different payments to process for statement purposes. If Miss L goes through her statements, she will notice other payments whose statement dates were later than their actual dates, sometimes by a fair bit of time. It was not possible for NatWest to reverse this payment while it was pending, and they were not required to refer her to the retailer directly.

I've also considered Miss L's argument that NatWest should've blocked the payment. But from what I can see, the payment was most likely authorised, it was not nearly high enough in value for its amount to have been of particular concern, it went to a very established retailer, and I've not found anything especially suspicious about it. So I don't agree that NatWest needed to block or flag it.

Finally, I do appreciate that Miss L faced some customer service difficulties, such as getting passed between departments and having a call cut without a call back. I can see that NatWest have already credited Miss L's account with £250, which is in line with what I would have told them to pay. So I do not find that they need to do anything further there.

In summary, I'm satisfied that Miss L's genuine card and PIN were used. Based on the evidence, there isn't a likely way this was done without her consent. The only likely possibility I've found is that the payment was authorised. So NatWest can hold her liable for it. I do understand that this is not the outcome Miss L was hoping for. 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 don't uphold Miss L's complaint in this case.

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 11 February 2025.

Adam Charles
Ombudsman