

## **The complaint**

Mr P is unhappy that Nationwide Building Society (“Nationwide”) hasn’t reimbursed him for transactions on his account he’s said he didn’t authorise.

## **What happened**

In April 2022 a series of cash withdrawals was made from Mr P’s current account reducing the balance from around £800 to around £5. Mr P has said he didn’t authorise these withdrawals and couldn’t have made them himself as he was serving a prison sentence at the time.

On 3 August 2023 Nationwide wrote to Mr P to confirm it was closing his accounts without notice. In October 2024 Mr P visited a Nationwide branch to arrange the return of the account balance which he expected to be around £800. When he discovered the withdrawals he’s said he didn’t authorise, he made a complaint.

Nationwide investigated things but stated the withdrawals had been made with Mr P’s genuine card and PIN. Given Mr P hadn’t been able to explain how someone would’ve been able to obtain both his card and PIN, which should only be known to him, it felt he more than likely authorised the transactions.

Our investigator didn’t uphold the complaint. Overall they felt it was more likely than not Mr P had authorised the withdrawals and thought Nationwide had acted fairly in closing the accounts.

## **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.

*Has Nationwide acted fairly in not reimbursing Mr P for the withdrawals he’s said he didn’t authorise*

Where there is a dispute about what happened, and the evidence is incomplete or contradictory, I must reach my decision on the balance of probabilities – in other words, on what I consider is most likely to have happened given the available evidence.

The relevant law surrounding authorisations are the Payment Service Regulations. The basic position is that Nationwide can hold Mr P liable for the disputed transactions if the evidence suggests that it’s more likely than not that Mr P made them or authorised them. Authorisation is made up of two parts. Authentication and consent. Authentication is usually referred to as the technical evidence and in this case, it appears Mr P’s card and correct PIN were used to make the cash withdrawals Mr P is saying he didn’t authorise. And this makes sense, because it’s not clear how the withdrawals could’ve been made without the card and PIN linked to the account.

So, I'm satisfied the transactions have been authenticated in the correct way and in line with the terms and conditions of Mr P's account. But the regulations relevant to this case say that it is not, on its own, enough to enable Nationwide to hold Mr P liable. I also need to think about whether the evidence suggests it's more likely than not he consented to the withdrawals being made.

I can't know for certain who carried out the disputed withdrawals, as I wasn't present at the time. So, in order to reach my decision, I've taken all the available evidence into account and made my decision based on what I think is more likely to have happened.

Having looked at all the evidence and considered Mr P's explanation carefully, I'm not persuaded by what he's said. And on balance I've ruled out that a third-party was responsible for making the withdrawals without Mr P's consent. So, I don't think it would be fair or reasonable to say Nationwide needs to refund him for them.

I understand Mr P was in prison at the time the cash withdrawals were made. Although I've noted the evidence he's provided seems to suggest he was released at weekends during the period the withdrawals were made and some of the withdrawals were made over the weekend. But, I accept overall it's unlikely Mr P made them all himself.

That said, as I've outlined above, the consideration here is whether Mr P authorised them, which includes a situation where Mr P has shared his PIN and card with someone else and allowed them to make withdrawals from his account.

Mr P has said he's never done this. He says he's never shared or even written down his PIN and did not ask anyone to use his card on his behalf. But if this is the case, it's not clear how someone knew his PIN, and had access to his card. As there's no explanation that explains how someone would've known Mr P's PIN, other than him sharing this information either directly or accidentally, this seems to be the more likely scenario here.

Mr P has said his card was held by the prison while he was serving his sentence. He suspects that staff in the prison would've had access to his card and they must've stolen from him. But if this was the case, they still would've needed to know his PIN to successfully carry out the withdrawals. Nationwide has no record of any requests for a new card or PIN leading up to the time the withdrawals were made. So the only possible scenario is that they were able to find out Mr P's existing PIN. And based on what Mr P has said, it's not clear how this would've happened without his consent.

Mr P has suggested that he was unable to pursue his suspicions that prison staff had stolen from him because Nationwide no longer has all the information about the cash withdrawals, such as where and what time they took place. It's not clear how this information would provide more evidence to support Mr P's testimony, but in any event, I don't think it's Nationwide's fault Mr P didn't raise concerns about the withdrawals sooner. This was due to his circumstances and his choice not to keep oversight of his finances during this period.

Nationwide's terms and conditions also set out that it will reimburse unauthorised transactions that are raised within 13 months of the transaction taking place which hasn't happened here. And whilst I understand Mr P was in prison, it was ultimately due to his circumstances and his decision not to keep an overview of his finances while he was there that led to his dispute being raised outside of this time frame. I've noted that he did receive the closure letter from Nationwide and made the decision not to query this at the time.

As Mr P's own card and PIN were used to make the withdrawals, Nationwide would have no reason to suspect they were carried out without Mr P's consent until he raised this over two

years later. So I wouldn't have expected it to have intervened or prevented the withdrawals when they were made.

Overall, I don't think Mr P has provided any plausible or persuasive explanation as to how these withdrawals would've been carried out without his authorisation. As such, I'm satisfied Nationwide is acting fairly and reasonably in holding him liable for them.

#### *Has Nationwide acted fairly in closing the account*

Banks and financial businesses are entitled to end their business relationship with a customer, as long as this is done fairly, doesn't breach law or regulations and is in keeping with the terms and conditions. And, in this instance the terms of Mr P's accounts say that in certain instances Nationwide can close the accounts with immediate notice and it doesn't have to provide a reason for doing so.

Nationwide has provided this service with information about why it decided to close Mr P's accounts immediately and our rules allow us to receive this evidence in confidence. We may treat evidence from banks and financial businesses as confidential for a number of reasons – for example, if it contains security or commercially sensitive information.

Some of the evidence Nationwide has provided is information that we consider should be kept confidential. This means I haven't been able to share a lot of detail here. But having considered this, I haven't seen evidence to show Nationwide closed Mr P's account for an improper reason. Nationwide has relied on the terms and conditions when deciding to close Mr P's accounts without notice and I'm satisfied it was acting fairly and reasonably in doing so in this case.

#### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 10 July 2025.

Faye Brownhill  
**Ombudsman**