

The complaint

Mr N complained because Barclays Bank UK PLC refused to refund him for a cash machine withdrawal which he said he hadn't made.

What happened

On 8 August 2025, Mr N contacted Barclays. He said he'd tried to withdraw £50 with his Barclays card, at a cash machine owned by another bank. The withdrawal was declined. Mr N said there had been two men trying to distract him. They told him the machine wasn't working, so he went into the branch to try again, but this too was declined. When he was leaving the branch, he had a notification from Barclays saying there had been a £500 withdrawal. Mr N said that this had been a distraction robbery and the money had been taken while he was at the machine. He wanted a refund.

Barclays refused to refund Mr N with the disputed £500. Mr N complained.

Barclays sent Mr N its final response letter on 29 August. It said it had reviewed the information provided by the cash machine owner. The machine owner had balanced the machine on 18 August and found no extra cash, and no shortfall, in the balance of the machine. The machine owner also provided evidence that the £500 withdrawal had been successfully dispensed. The machine had dispensed 4 x £10 notes and 23 x £20 notes.

Barclays also said that its own system showed that the £500 withdrawal had been made at 16:42pm, followed by two £50 withdrawal attempts at 16:44pm and 16:45pm, all from the same cash machine. Mr N had told Barclays that he had his card for the later withdrawal attempts, which showed he was in possession of his card at the time.

Barclays said that based on the timeline of the transaction attempts, and the fact that Mr N had his card, it didn't agree it would have been possible for anyone else to make the withdrawal without Mr N's knowledge. It said that if Mr N wanted to take this further, he should contact the police, because the police could request CCTV if available, which wasn't something Barclays could do.

Mr N wasn't satisfied and contacted this service. He said Barclays had upheld his complaint but hadn't given him a refund or compensation. He said that what had happened had been:

- He'd attempted a £50 cash withdrawal at the outside cash machine at 16:42 pm which had been declined;
- He'd attempted a £50 cash withdrawal at the inside cash machine at 16:44 pm which had been declined;
- At 16:45pm he'd been notified on the app of a £500 cash withdrawal which he hadn't authorised.

Our investigator didn't uphold Mr N's complaint.

She said she wasn't persuaded by Mr N's version of events. She said that Barclays had shown that the disputed £500 withdrawal had been made using Mr N's genuine card and correct PIN. The PIN had been input correctly first time, with no incorrect PIN attempts.

There was also no plausible explanation about how Mr N's details could have been compromised. Mr N had said there were men behind him who distracted him, but this didn't explain how they'd have known his PIN, and could then have given him back his card to make the two £50 withdrawal attempts two minutes later. Mr N had said he'd had his card with him at all times, and he'd attempted the two declined £50 withdrawals.

So the investigator concluded that it was most likely that Mr N had authorised the disputed £500 withdrawal, and Barclays didn't have to do anything more.

Mr N wasn't satisfied. He said he strongly rejected the outcome, and hadn't received the disputed £500. He said he was a victim of distraction fraud, and the circumstances hadn't been properly considered. He said that Barclays' timings didn't match what actually happened. He said he wanted CCTV footage from the owner of the cash machine, that allegedly showed him receiving the money. He said he wanted Barclays to do a comprehensive and thorough investigation, including communicating with the machine owner, to verify the timings which Mr N had said happened.

The investigator told Mr N that Barclays had said it didn't request CCTV when investigating cash machine disputes, so it didn't form part of the investigation. Mr N still didn't agree, and he asked for an ombudsman's 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.

What the Regulations say

There are regulations which govern disputed transactions. The relevant regulations here are the Payment Services Regulations 2017. In general terms, the bank is liable if the customer didn't authorise the payments, and the customer is liable if they did authorise them. So what decides the outcome here is whether it's more likely than not that Mr N, or a third party fraudster unknown to him, carried out the disputed £500 cash withdrawal.

What the computer evidence shows

I've looked at the technical computer evidence from the cash machine owner. This shows that Mr N's genuine card was used to withdraw £500 at 16:42:33. The evidence shows that the machine dispensed 4 x £10 notes and 23 x £20 notes, and the card was then removed by the user.

This was immediately followed by two declined cash withdrawals. I've seen evidence that these were declined because the previous £500 cash withdrawal was the maximum daily limit. Two notifications were sent to Mr N immediately after the attempts, saying "*We've declined your cash machine withdrawal of £50... because you've reached your daily limit.*"

The computer evidence codes also show that the withdrawal was authenticated using the genuine card with its chip, and Mr N's correct PIN.

I've also seen evidence which indicates that the machine was checked and showed that there was no surplus or deficit in the machine.

Finally, after the investigator issued her View, Mr N asked for CCTV evidence proving that he made the withdrawal. Barclays wouldn't have access to this, and its final response letter told Mr N that he could ask the police for this if he wished. I've seen nothing to suggest that

he did. But in any case, CCTV is rarely definitive in showing who authorised a withdrawal, and it's usually only kept for around 30 days, so it would no longer be available now.

Who is most likely to have authorised the disputed cash withdrawal?

Mr N's evidence about what happened doesn't fit the timings from the machine evidence. He said the first thing that happened was that he attempted the two unsuccessful £50 withdrawals, first at the outside machine and then going inside. But the evidence shows that the successful £500 withdrawal happened first. This ties up with the fact that the reason for the two £50 withdrawals' rejection was that the £500 just withdrawn was Mr N's daily cash withdrawal limit.

I also find it unlikely that if someone else had taken and used Mr N's card for the £500 withdrawal, that Mr N would then have immediately used it himself to make the two £50 attempted withdrawals. He'd surely have reported it to the branch staff at the machine owner's branch, which he said he went into.

It's also not clear to me how Mr N believes the disputed £500 withdrawal had been made. He said he was distracted at the outside cash machine by men telling him the machine wasn't working. But he hasn't said, for instance, that the men forcibly stole his card from him as he was standing at the machine, and then used it. His evidence is that he had his card throughout. As the genuine card, with its unique chip, was used for the transaction, which Mr N had in his possession throughout, it can only have been Mr N who used it.

The disputed withdrawal was carried out using the correct PIN. I can't see how anyone else could have known this, and customers have a responsibility to keep their security details safe. There are also 10,000 possible combinations of any four-digit number, so it's not possible that anyone else could have guessed it.

Taking all these factors into account, I can't see how anyone other than Mr N could have made the disputed £500 withdrawal. As I find that it's most likely that he authorised it, Barclays doesn't have to refund him.

My final decision

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 N to accept or reject my decision before 30 January 2026.

Belinda Knight
Ombudsman