

complaint

Mrs G complains that National Westminster Bank plc won't refund money withdrawn from her current account. The bank's also holding her liable for an outstanding balance accrued on another account in her name, following the return of a cheque. Mrs G says she didn't set up that account or authorise any transactions on it.

background

Mrs G hadn't used her National Westminster account for several months. When she attempted to do so, the card didn't work. So she went into her local branch and ordered a new card and personal identification number (PIN). At the same time, she told the bank of her change of address. She'd moved about three weeks earlier. But the new card and PIN were issued before the address was updated. So they went to Mrs G's old address. A couple of weeks later, £405 was withdrawn using the card at cash and travel ticket machines. Mrs G says she reported non-receipt of the items after about six weeks, though National Westminster says it doesn't have a record of her doing so.

Towards the end of that month, someone requested an online banking facility for Mrs G's account. By this time, her account address had been updated. The bank sent her a card reader and associated correspondence. And over the course of the following month, several new accounts were opened online using Mrs G's name. One of those accounts received a cheque deposit, which was later returned unpaid. But in the meantime, the online banking facility had been used to transfer the money to a third party account. That left the account overdrawn. The bank issued a repayment demand and closed Mrs G's accounts.

Mrs G complained to National Westminster. She was unhappy about the withdrawals from her current account, and about the bank seeking repayment of the overdrawn balance on the other account. She said she knew nothing about either matter. National Westminster says this was the first contact it had from Mrs G about either incident. It didn't consider Mrs G had been a victim of fraud, and has continued to seek repayment.

Our adjudicator reviewed the case circumstances. She felt National Westminster wasn't acting unreasonably in holding Mrs G liable. And she didn't consider it appropriate that Mrs G receive a refund of the card withdrawals. But Mrs G didn't agree. She maintains she's been a victim of fraud, which occurred because the bank sent her card and PIN to her former address. She thinks whoever set up the new accounts must have later changed the address.

my findings

To decide what's fair and reasonable in this complaint, I've considered everything that Mrs G and National Westminster have said and provided. Where there's a dispute about what happened, I've based my decision on what I consider most likely to have happened in the light of the available evidence.

National Westminster accepts Mrs G's card and PIN were sent to her former address. That doesn't mean they weren't forwarded to her new home, of course, or indeed that they weren't collected from the old one. It seems a little odd that Mrs G says she didn't query non-receipt of the card and PIN for several weeks (and in the bank's version, even longer). And in addition to the disputed withdrawals, there's another reason why this is relevant. The new card and PIN weren't only used to make these payments. They were also used to set up payee details on the new accounts for the online transfers.

I don't accept Mrs G's suggestion that this later activity could have been done under her former address and then changed. There's no indication in the bank's records that the accounts were opened with any address other than the one Mrs G gave National Westminster when she ordered the card. But I do agree it's most likely that whoever made the withdrawals also opened the other accounts and deposited the cheque.

Whoever had the card was able to set up online banking. To do this, they needed more than the card and PIN. They also needed certain of Mrs G's personal details, in order to pass National Westminster's security systems. Mrs G has said that this information was not recorded anywhere. I think it's unlikely someone would have been able to guess it. The bank didn't send any other information to the old address – it updated its records within a couple of days of ordering the card.

Further, Mrs G confirms receiving the card reader and account opening letters for each of the new accounts. Whoever set up the new accounts and transfers, then, had access to post sent to both her former and current address. Mrs G says she doesn't know who moved into her old property. So the number of people who might have had access to post at both addresses is quite limited. On balance, I think it's unlikely all of the activity was undertaken by someone who'd simply received Mrs G's card and PIN because the bank sent it to her old address.

Based on the evidence available to me, I don't believe I can exclude the possibility that Mrs G either undertook the activity herself, or allowed someone else to do so. In such circumstances, I can't fairly conclude National Westminster shouldn't be entitled to hold Mrs G liable, or seek to recover the outstanding debt.

my final decision

My final decision is that I do not uphold Mrs G's complaint.

Niall Taylor
ombudsman