

complaint

Mrs K complains that Nationwide Building Society has held her liable for payments that were made from her account to an online gambling company. Mrs K says she did not give permission for her card details to be used to make the transactions.

background

Nationwide had sought to recover the payments by raising chargebacks on them, as Mrs K did not recognise the transactions, but were defended on the basis that the merchant had supplied details matching that of Mrs K. However, the online gambling account used was in the name of a relative of Mrs K.

Our adjudicator concluded that the account was more likely than not set up by Mrs K's relative and not Mrs K, albeit using some of Mrs K's details. In fact, the only details that correctly match to Mrs K are her debit card number. Mrs K had advised the adjudicator that she made an online purchase for her relative with him present. This was an opportunity for the relative to have made a note of Mrs K's card details. Mrs K also said that she was not aware of the relative having any online accounts with the online gambling company but did not rule out the possibility of the relative not being honest about the account activity.

The online gambling company confirmed that a number of online accounts had been set up in the name of the relative and the account in question here was set up just one month after the relative had an opportunity to record the card details. The online gambling company had also provided two IP addresses to show where account activity took place from and these addresses relate to two areas, one where Mrs K lives and the other being where the home of her relative is.

On balance, the adjudicator did not consider that Mrs K had benefitted from the online accounts or indeed was even aware that an online account was being funded using her debit card. Mrs K had also not previously used online gambling accounts. Taking everything into account, the adjudicator did not consider Mrs K had authorised the transactions in dispute.

He therefore recommended Nationwide restore the account to the same position it was in before the transactions occurred.

Nationwide has asked that the complaint be reviewed by an ombudsman.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Where evidence is incomplete, inconclusive, or contradictory, I have to reach a decision on the balance of probabilities; that is, what I consider is most likely to have happened, given the evidence that is available and the wider surrounding circumstances.

And, on balance, I do not consider that it is safe to conclude that Mrs K authorised the disputed transactions. The payments were made by use of a card that a relative had access to; and there was a specific occasion when the relative would have been able to become aware of the details. The payments went to an online gambling account that was set up in the name of the relative; and the relative had other accounts with the online gambling company.

There is no evidence that Mrs K had ever had an online gambling account herself. And there were two IP addresses used to enable the payments to be made, one of which was from a place that is a significant distance from Mrs K's home but also where the home of the relative is.

Nationwide rejected the opinion of the adjudicator on the basis that it believed that Mrs K had operated gambling accounts with the online company concerned and there was contact between them. But that company has explicitly stated that Mrs K has not held an account with it.

It seems to me that funds from Mrs K's account with Nationwide were being used to finance an online gambling account in the name of the relative and there exists the opportunity for the relative to have been able to access the required details to enable them to make the payments themselves. In all the circumstances, I do not consider it safe to say that Mrs K authorised the transactions. I therefore agree with the recommendation as to what Nationwide should now do to remedy that it debited Mrs K's account with their value.

my final decision

My final decision is that I uphold this complaint and in full and final settlement of the complaint, Nationwide Building Society must:

- recall the account from collections and reduce the outstanding balance by the value of the transactions, £840;
- pay interest calculated at 8% simple per annum on £840 from the date the money was re-debited from Mrs K's account until the date of settlement;
- refund any charges applied as a result of the transactions;
- remove any adverse information recorded on Mrs K's credit report as a result of the transactions

Ray Neighbour
ombudsman