

## **complaint**

Miss S complains that National Westminster Bank Plc will not refund withdrawals she says she did not make from her account and then it closed the account.

## **background**

Miss S disputes withdrawals made in branch and using a cash machine which totalled £4,700. She says she did not receive a new card and PIN sent to her.

The adjudicator did not recommend that the complaint be upheld. NatWest had originally told her no PIN was sent when Miss S ordered a new debit card. But it later clarified that a further PIN advice of the existing PIN had been provided. As Miss S said she had not divulged her PIN to anyone the adjudicator did not think the withdrawals were made by an unknown third party.

Miss S did not agree. She was unhappy at the inconsistent information provided by NatWest about whether a new PIN was sent or not. She still thought that the date NatWest said it was dispatched was before she requested it. NatWest did not investigate what happened properly before it rejected her claim and gave notice that it was going to close her account. She provided a copy of a recorded phone call between her partner and NatWest in which he asked about what a re-advice of PIN was and whether a damaged card could still be used.

## *my provisional decision*

I issued a provisional decision for this complaint on 25 October 2017 as my reasoning for not upholding the complaint differed from that of the adjudicator. I set out what I then said below.

Miss S visited a branch on 18 March 2017 and deposited £3,500 in cash. She told NatWest that this was accumulated from her ad hoc hairdressing business. She also received £1,500 on 20 March 2017 which she says was a debt repayment from her cousin. She reported problems using her bank card at the branch on 18 March 2017 and changed her mailing address. She phoned NatWest on 20 March 2017 as she had been told that she could not order a new card in branch.

Withdrawals started from her account on Saturday 25 March 2017 - £1,300 in the branch and £250 from a cash machine. Similar withdrawals were made on 27 March 2017 and almost all the balance remaining was taken out on 28 March 2017. Miss S reported what happened that day.

I'd reviewed the information provided by NatWest and listened to recordings of its telephone calls with her and the one with her partner. The original confusion about the PIN came as there was no PIN ordered for the new card. A re-advice of PIN was ordered on 18 March 2017 for the old card and dispatched on 20 March 2017. Miss S was told that her old card was blocked for chip and PIN payments but could still be used to access online banking (as she did on 24 March 2017). A replacement card was sent out on 21 March 2017. I understand Miss S has said her neighbour at the flat where she lives told her there had been problems with post being received.

I needed to decide whether it's reasonable for NatWest to hold Miss S responsible for all these withdrawals. To find that it's not reasonable to do so I said I'd need to think that all of the following were most likely:

- The new card and the re-advice of PIN were both intercepted by an unknown third party even though they were sent under separate cover on different dates in disguised mail.
- It's a total coincidence that this happened when there was an unusually high amount of money in her account which was totally out of line with previous patterns of credits.
- An unknown third party in possession of the card and PIN knew that there was a significant amount of money in the account. No balance enquiry was made until 28 March 2017 and the first withdrawal was for £1,300.
- Miss S did not realise what had happened until just after all the money had been taken out.

I said that these were not all findings I was able to make on the evidence. So my provisional decision was that I didn't have a basis to require NatWest to refund any of the money to Miss S. And I thought it was entitled to decide whether or not to continue to provide a bank account for her.

### **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

NatWest said that it did not have anything else to add.

Miss S did not agree with my decision. She thought that I had misquoted or misunderstood her evidence. She thought that NatWest should be liable for the withdrawals due to the inconsistencies and that the evidence had been dismissed which she found confusing. She thought that whatever she said the outcome would not change.

Miss S said she was asked to visit a branch again on Monday 20 March 2017 to order a new PIN and card. And that this was because she could not do this on Saturday 18 March 2017 as she had just updated her address details. She was not able to go to a branch that day so ordered these over the phone. My statement that her neighbour told her about problems with the post was incorrect. The post being left in front of the main door of the flats was a concern for all residents.

She referred to a text message she provided from NatWest dated 18 March 2017 stating that her mailing address had been changed. And a further one dated 21 March 2017 stating that her card would be despatched within 24 hours and a PIN within two to three working days. She wanted to know how it was possible for a PIN to be ordered for a blocked card. And as she was told it would take 24 hours for an address change to be processed she did not see how the new PIN was ordered on 18 March 2017. She wanted to know why she did not receive a text message for the PIN sent out that day as she had for everything else.

She thought that the PIN and card were ordered on the same day which would explain how they were intercepted. There had previously been large credits in her account including £4,500 on 21 July 2016, £3,000 on 2 September 2016 and £1,000 on 13 October 2016. So she also disagreed that the credits in March 2017 were out of line with previous entries to her account.

### **my assessment**

Miss S told this service in an email on 20 June 2017 about the problems one neighbour had reported with post. That was the basis for my statement in the provisional decision. I note she now says that this was incorrect and that it's a concern for all residents. I accept that she did receive the credits she listed to her account in 2016 and my statement that the money received in March 2017 was "totally" out of line was not a fair summary. But I remain of the view that there was no predictable pattern of credits to her account. And I can't see how an unknown third party would have been able to anticipate the substantial money credited and make a withdrawal without checking the balance.

I don't have a basis to find that both the new card and PIN were sent out on the same day. NatWest says that the PIN was sent on 20 March 2017 and the card the next day. I appreciate that the text message to Miss S says that the PIN would follow the card – but again this would not mean they were sent together. So however the evidence about the PIN is resolved I would still need to think it most likely that it and the card could be intercepted separately by an unknown third party.

I won't be able to say exactly what happened here. But as I said in my provisional decision I need to decide whether it's reasonable that Miss S be held responsible for these withdrawals. I have looked at all the inconsistencies Miss S has highlighted for me and said what I think about them and whether these affect my assessment. I'm afraid for the reasons I've given they don't. I am not persuaded, on balance, that an unknown third party was able to intercept the card and PIN and anticipate and then quickly withdraw the significant amount of money in the account.

I appreciate that Miss S will remain dissatisfied with my assessment.

### **my final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 15 January 2018.

Michael Crewe  
**ombudsman**