

## **complaint**

Mr M's complained Bank of Scotland plc, trading as Halifax, ('Halifax') refused to refund a disputed transaction and closed his account.

## **background**

Mr M said he lost his wallet containing his debit card on 10 June. He reported the loss to Halifax on the same day and ordered a new card and PIN. He said he never received them.

On 17 June, someone withdrew £7,300 from his account in branch. He said it wasn't him. He asked Halifax for a refund.

Halifax refused. It said it was satisfied he was the person in the CCTV video footage at the time of the withdrawal. Also, the person making the cash withdrawal used the replacement card which it'd sent to him. And, it said whoever made the withdrawal knew how much money was in the account. Only he knew this information.

Mr M wasn't happy with this response and so he brought his complaint to this service.

Our adjudicator thought Halifax was entitled to conclude Mr M made the withdrawal based on the evidence. He also didn't think there was a plausible explanation for how an unknown third party could've intercepted Mr M's post and stolen his replacement card and PIN.

Mr M disagreed with our adjudicator. He's asked for an ombudsman's final decision.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so I'm afraid I agree with our adjudicator's conclusion and for broadly the same reasons.

If Mr M didn't withdraw the cash - or authorise someone else to do so – then an unknown third party must've done so using the replacement card and new PIN. So, I think the key evidence here are the replacement card and new PIN – not the CCTV video footage.

Halifax said it sent the card and PIN to Mr M's home address. So the question is, how did an unknown third party know he was expecting a new card? And how did the person know when to intercept his post without being noticed by Royal Mail? Also, the usual practice is to send the card and PIN separately, the person would've needed to have intercepted his post twice.

I'm afraid Mr M hasn't provided a plausible explanation for how this might've happened. There's no evidence of him not receiving post. In fact, when he reported the loss of his first debit card he told Halifax he hadn't had any problems with his post going missing. And he didn't ask it not to post the card and PIN to him. So, I think it seems unlikely a stranger intercepted his post.

Halifax said whoever withdrew the cash knew how much was in the account. And as he's said only he knew about the deposits then it follows he must've made the withdrawal. I can see why it thinks this.

Mr M deposited a total of £7,250 days before the withdrawal. Prior to the deposits, the balance in his account was £176. The cash withdrawal was for £7,300. There was no evidence the person made any balance enquiries before the withdrawal. It could've been a coincidence but, on balance, I think it's more likely the person already knew how much was in the account.

I haven't considered the video footage. I don't think I need to because there's enough evidence without it. But, more importantly, we're not experts in video analysis so it would be inappropriate for us to consider it.

Given these circumstances, I don't think Halifax's refusal to refund the money was unreasonable

As for the closure of his account, I agree with our adjudicator that Halifax was entitled to close his account subject to giving him notice. And I'm afraid I can't instruct it to re-open an account for him.

I'm sorry to disappoint Mr M but I hope I've explained the reasons for my decision clearly.

**my final decision**

My final decision is I won't be asking Bank of Scotland plc to do anything.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 December 2016.

Razia Karim  
**ombudsman**