

## **complaint**

Mr E complains that Barclays Bank Plc has not refunded a number of cash withdrawals that he said he did not make or authorise.

## **background**

In January 2013 Mr E opened a savings account with Barclays. Three days later he paid £2,500 cash into the account. In mid-February Mr E reported to the bank that he had not received his card and PIN. Barclays issued a new card then re-issued the PIN, and at the end of February Mr E reported that most of the money had been withdrawn from the account without his consent or knowledge.

The money had been withdrawn over four days, starting the day after Mr E's cash deposit. There were six cash machine withdrawals and one counter withdrawal in a branch.

Mr E asked the bank to refund the withdrawals. He said he had been saving the money to buy a car and the loss meant that he had to borrow from a family member.

Barclays declined to refund the money. It said that in each disputed transaction the genuine card was used with the correct PIN, and there were no further attempts to use the card after it was cancelled. It also said the PIN was posted to Mr E the day after he opened the account and the card was posted two days later, both to his correct home address.

Unhappy with the bank's response, Mr E referred his complaint to this service.

Our adjudicator did not recommend that the complaint should be upheld. She was not persuaded that both the card and the PIN were not delivered to Mr E's address. She also noted that the last disputed withdrawal was the largest – half of the total withdrawn – and it was over the counter in a branch. She found it unlikely that a third party fraudster would leave the largest transaction until the end of the four days of withdrawals, given that he or she would not have known when the loss of the card would be reported.

Mr E disagreed with the adjudicator's findings and asked for the case to be reviewed by an ombudsman. He said he had read that the security of the chip and PIN system was flawed. He also said that the bank should have used CCTV to determine who made the withdrawals.

## **my findings**

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. Having done so, my decision is that I do not uphold the complaint.

We are aware of methods of fraudulently evading the security systems on cards, but none of those methods involve reproducing a chip so that it works with the correct PIN. In Mr E's case, the evidence from the bank records shows that the chip was read during the disputed transactions and the correct PIN was entered, so I am satisfied that Mr E's original card was used.

While CCTV recordings might have been able to show whether or not Mr E made the withdrawals himself, they would not show whether or not he authorised someone else to

carry them out. So I do not think CCTV evidence would determine whether or not the bank was entitled to hold him liable for the transactions.

I agree with the adjudicator that a fraudster would be unlikely to leave the largest – and riskiest – withdrawal until he had used the card for four days. I also note that there were no attempts to use the card after it was reported lost, suggesting that whoever was using it knew that the card had been cancelled.

Mr E said that his loss meant that he had to borrow money to pay for the car. He has provided a receipt for the sale of the car, which was bought with cash. But the receipt is dated sixteen days before the date when Mr E said he discovered the money was missing from his account. I find it difficult to understand why he borrowed the money to buy the car, rather than attempting to withdraw the cash from his account, when he was at the time unaware that any money had been taken from the account.

Where the evidence is incomplete or inconclusive or contradictory, as some of it is here, I reach my decision on the balance of probabilities - in other words, what I consider is more likely than not to have happened in the light of the available evidence and the wider circumstances. Having done that, I think it is likely that the disputed withdrawals were made or authorised by Mr E. I therefore find that Barclays was entitled to hold Mr E liable for the transactions and I do not order it to refund the money.

### **my final decision**

My final decision is that I do not uphold this complaint.

Colin Brown  
**ombudsman**