

The complaint

Mr K complained because he believed Nationwide Building Society didn't agree with him when he disputed a cash withdrawal from his account.

What happened

In February 2021, Mr K went to his local Nationwide branch with his passbook to withdraw some money.

Mr K said he withdrew what he thought was £2,500 in cash, and he put the money in his safe when he got home.

In August 2022, Mr K counted the cash, and realised he had only been given £1,000. Mr K also looked at the passbook, and saw that it was a different one from the one he'd taken into the branch in February 2021. The new book showed a £1,000 cash withdrawal in February 2021 and another in March 2021 for £1,500. Mr K didn't understand why his old passbook had been changed to a new one, or why it showed two separate entries. He just remembered asking for £2,500, and thought this was what he'd been given but hadn't checked it at the time. Mr K thought he was missing £1,500, as he only had £1,000 cash instead of £2,500. He contacted Nationwide, but wasn't happy with its response.

Mr K contacted this service for help in June 2023. He provided copies of the old and new passbooks. The old one was stamped "cancelled." The new book, which Mr K had been given on 23 February 2021, shows a £1,000 cash withdrawal on 23 February 2021, and a £1,500 cash withdrawal on 29 March 2021. Mr K didn't use his account often, and the other entries in the new book are all interest credits and tax debits.

Mr K said that Nationwide branch staff had shown him signature slips which he was supposed to have signed, but they were shown to him from behind the screens, and looked like photocopies. He also asked if Nationwide had CCTV to show how much he'd taken out.

Our investigator contacted Nationwide, which then issued its final response to Mr K's complaint on 14 June. Nationwide's letter said it had checked, and the branch had completed security for the two withdrawals. It went on to say it had withdrawal slips for both, and the signatures would have been checked against the signature in Mr K's book. Nationwide said that the book would have been present on both occasions, and it had followed its processes to confirm that the person making the withdrawals had been the account holder.

Mr K wasn't satisfied with Nationwide's final response, so the investigator considered Mr K's complaint.

Our investigator didn't uphold Mr K's complaint. She noted that Mr K accepted he'd made the £1,000 withdrawal, and that the £1,500 withdrawal also looked like his signature, but he didn't believe he'd signed it, and he'd said why would he have gone back a month after the first withdrawal to take out more money especially as this was in a covid lockdown. The investigator looked at the copies of the old and new passbooks which Mr K had sent, and

said she thought the old passbook was the one Mr K had taken into the branch in February 2021, and that this and the new passbook had been given back to Mr K that day. The investigator didn't think the cashier had kept any passbook to make a fraudulent withdrawal later, as Mr K believed. The last page of the old book showed that gross interest, tax deducted, and net interest due in 2018 had been added onto the passbook when Mr K visited in February 2021. The transactions filled up the old passbook, so a continuation passbook had been issued so that the rest of the figures, for interest and tax from 2018 onwards, could be printed too. The investigator explained that the last entry in the old passbook was £2,449.07 as at 19 June 2018, and the same figure and date was shown as the first line of the new passbook. The rest of the interest figures from 2018 onwards appeared at the start of the new book, followed by Mr K's £1,000 withdrawal.

The investigator also explained that the computer records showed that the £1,500 withdrawal had been carried out by a different cashier, and that the passbook had been present and the withdrawal had been authorised on a slip using Mr K's signature. So this didn't tally with Mr K's belief that the February cashier had kept the old passbook and had fraudulently withdrawn the £1,500 a month later. So the investigator said that she didn't think the events happened as Mr K had suggested, but that he'd visited the branch again in March 2021 and had made the £1,500 withdrawal himself.

Mr K didn't agree. He sent a copy of a handwritten note about an appointment on "Tuesday 19 June" at 1pm with a Nationwide employee whom I'll call J. Mr K said this had been given to him that day with the cancelled passbook and a new passbook, and he hoped there would be a record of that meeting, which had been to discuss what to do with £2,500 in his account.

But the investigator said that she didn't think Mr K's meeting with J related to what happened in February 2021. She thought the meeting Mr K referred to had happened in 2018, when 19 June had been a Tuesday. The cancelled passbook, a copy of which Mr K had sent in, showed that on 19 June 2018, Mr K's account had been converted from a Cashbuilder account to a Loyalty saver account. And that same book had later been the one which had been used up and replaced when Mr K went into the branch in February 2021. So the investigator said this didn't change her view about what had happened in early 2021.

Mr K asked for an ombudsman's decision. He said he was a victim of someone's wrongdoing and the stress was affecting his health.

What I've decided – and why

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

I can see that Mr K genuinely feels that he's lost money here. I do understand it's worrying and upsetting to feel you've lost a large sum of money, and I'm sorry about his distress, especially as he's told us about difficult personal health issues too. I've looked carefully at all the evidence to try to work out what's most likely to have happened.

I can't know for certain what happened, because I wasn't present when the two withdrawals, or the meeting with employee J, took place. When that happens, I take my decision on the basis of what I think is more likely than not to have happened, taking into account all the evidence which is available.

First, CCTV evidence isn't available, because Nationwide has confirmed that it only retains this for up to 90 days. So for the disputed withdrawals in February and March 2021, this would have been deleted some two years ago. I also agree with the investigator that Mr K's

meeting with Nationwide employee J is most likely to have happened in 2018, not 2021 – and in any case, that doesn't affect what happened in February and March 2021.

The evidence I do have includes copies of Mr K's old and new passbooks, which he helpfully sent to us; copies of the signature slips for the two withdrawals; and computer records from Nationwide.

From these, I can see that:

- the two withdrawals were made using the genuine passbook;
- a signature was obtained for both. I'm not a handwriting expert, but the two signatures are similar, and Mr K confirmed that he did sign for a withdrawal in February 2021;
- both withdrawals were made using the new passbook, which was issued to Mr K when he went into the branch with his old passbook in February 2021. He hadn't used his account for some time, so the computer updated it with interest which had been credited to his account but not yet printed in his book. There wasn't enough space in the old passbook, so that the balance was transferred into the new passbook and the old one cancelled. I don't think there was anything suspicious about the issuing of the new book when the old one had run out of space.

I've considered how anyone else could have fraudulently obtained Mr K's money by making the disputed £1,500 withdrawal in March 2021.

Mr K told us he lives alone, so it's not likely that a third party took his passbook without his knowledge and used it to make the disputed second withdrawal. Any such person would have also have had to forge Mr K's signature. The signature stored in the passbook is hidden and only visible under a Nationwide device, so any fraudster who might have stolen the book from Mr K's home couldn't just have copied it. And they'd also have had to return the book without Mr K realising.

Mr K thinks that a Nationwide employee kept his passbook, and then fraudulently used it to make the £1,500 withdrawal on 29 March 2021. I've considered this, but I don't think it's likely. First, Mr K still had his old and new passbooks when he complained about the disputed transaction. So any such fraudulent employee would somehow have had to get this back to Mr K without him knowing.

And if there had, hypothetically, been a fraudulent Nationwide employee, I don't think they'd have stolen the money this way. The transactions were over a month apart, and I think any such fraudster would have taken the money out straightaway. That's because fraudsters tend to maximise their gain as quickly as possible, before they can be found out.

Also, the computer records show that the £1,500 transaction was verified by a different cashier from the one who served Mr K in February. So there would have had to be two separate dishonest employees combining together, which makes this scenario much less likely.

Finally, any hypothetical dishonest cashier in February 2021 who was trying to rob Mr K would have been much more likely to have got Mr K to sign a £2,500 slip, and recorded a £2,500 withdrawal in the passbook, then just given Mr K £1,000 hoping he wouldn't check his cash straightaway and challenge it. But that isn't what happened here. The cashier in February 2021 gave Mr K a £1,000 withdrawal slip which he signed, and she only debited £1,000 from Mr K's account. Taking all these facts into account, I'm not persuaded that the February 2021 cashier acted dishonestly.

Given that both withdrawals took place using Mr K's genuine book and a signature which looked very much like his; and that he kept the old and new books safely at home where no-one else had access to them, I can't see how anyone other than Mr K could have carried out the withdrawals.

It's very easy to forget details after a span of years. And it was a difficult time, for everyone because of the covid pandemic, and for Mr K personally. So while I sympathise with Mr K's distress, I think it's more likely than not that he withdrew the £1,000 in February 2021 and then a month later withdrew the disputed £1,500 and used it for some other purpose, whether another savings account, gift, or other spending. I find that the facts of this case indicate that it's unlikely that no-one other than Mr K could have carried out the transactions, so Nationwide doesn't have to refund him.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 4 November 2023.

Belinda Knight
Ombudsman