

## **The complaint**

Mr W complained because Barclays Bank UK PLC refused to refund him for a £12,000 cash withdrawal which he said he didn't make.

## **What happened**

Mr W's local Barclays branch closed, so he decided to close his account. Mr W was a long-term Barclays customer, and on 16 May 2022, he went to a Barclays branch in another town, and opened a new account in the branch with a deposit of £25,900.

On 23 May, there was a cash withdrawal, in the same branch, for £12,000. The cashier asked the person making the withdrawal some questions, to reduce the risk of the payment being for a scam. The person making the withdrawal told the cashier the money was to pay for a classic car which he was buying. He provided identification in Mr W's name, and correctly answered two security questions, and signed the withdrawal form. The branch paid him the cash. The withdrawal showed on Mr W's monthly statement.

Some months later, Mr W contacted Barclays. He said he hadn't made the £12,000 cash withdrawal. He went into the branch to discuss it. Barclays says that Mr W told the branch that the signature on the withdrawal authority slip was his, but he didn't know how it had got there.

In reply to Mr W's complaint, Barclays said that it hadn't found any evidence of fraud, and that the transaction had been properly authorised. In Barclays' final response letter on 8 April 2023, it said that it was holding Mr W liable on the basis that he'd withdrawn the money. Barclays said that it had spoken to him about the purpose of the withdrawal, and the possibility of it being a scam. It believed the transaction had been genuine.

Mr W wasn't satisfied and contacted this service. He said he'd had a meeting at the branch but the outcome hadn't been satisfactory. And Barclays had told him that one of its employees had recognised him when the £12,000 was withdrawn, from having opened the account for him a week earlier.

Our investigator didn't uphold Mr W's complaint. He said that the withdrawal had been made using identification, and answering two security questions. Mr W had also told our investigator that he had previously used cash from his account for cars, which was what the person making the withdrawal had told the cashier. The investigator said that he didn't see how a third party could have made the withdrawal, and said that he thought Mr W had made the withdrawal himself.

Mr W didn't agree. He told the investigator that two witnesses had been with him when he'd paid his £25,900 deposit into the new account. He said he hadn't bought anything apart from models, and although he had a classic car, he'd had it for many years. On a second call, Mr W said that he'd paid his initial deposit into the account on 2 April, and had received a letter from Barclays the next day. He said that this meant he couldn't have gone back on the same day he paid money in, to make the disputed withdrawal. Mr W asked for an ombudsman's decision.

## **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 recognise that Mr W is upset about this. I accept that he genuinely can't remember making the withdrawal, and believes he didn't do so. But as I wasn't present, I have to consider the documentary evidence, and decide what I think is more likely than not to have happened in all the circumstances of the case.

There are regulations which govern disputed transactions. The relevant regulations here are the Payment Services Regulations 2017. In general terms, the bank is liable if the customer didn't authorise the payments, and the customer is liable if they did authorise them. So I need to decide whether I think it's more likely than not that it was Mr W who authorised the withdrawal.

The man making the withdrawal on 23 May provided identification in Mr W's name. He also answered two security questions correctly, and signed the withdrawal form with a signature which resembled Mr W's. During the branch's questions which were intended to check Mr W wasn't being scammed into making the withdrawal, the man making the withdrawal told the branch cashier that it was to buy a classic car. The genuine Mr W told our investigator that he has previously used cash to buy a classic car.

This means that if the man making the withdrawal wasn't Mr W, he'd have had to have:

- had identification in Mr W's name;
- known Mr W's security answers;
- known Mr W's interest in classic cars; and
- would have been able to sign the withdrawal form in a convincing way similar to Mr W's signature in his identification.

I also note that one of the other cashiers, who had opened the account for Mr W only a week before, said the person making the withdrawal was the same person for whom he'd opened the account the previous week.

In view of these factors, I don't see how a fraudulent third party could have carried out the £12,000 cash withdrawal.

I also note that Mr W didn't report the disputed transaction for some months after it took place, though he'd have had statements. And at different times, Mr W told this service slightly different things about his complaint. For example, he told the investigator he'd opened the account on 2 April, but the statements show this was on 16 May.

So I think that it's most likely that what happened here is that unfortunately, Mr W genuinely forgot that he'd withdrawn the £12,000 cash on 23 May. This means that I don't require Barclays 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 W to accept or reject my decision before 2 January 2024.

Belinda Knight

**Ombudsman**