

The complaint

Mr A complains that Santander UK Plc didn't credit his account with funds he deposited.

What happened

Mr A says that he tried to deposit £1,000 in cash through a machine outside a branch late on 4 August 2020. And that £20 was returned but the other £980 retained by the machine. When he raised this a credit was initially made to his account, but Santander then took the money back.

Santander said that the machine Mr A used balanced on the morning of 5 August 2020 when branch staff next checked it. In its submission to this service it explained that a different customer had made a similar claim on 3 August 2020. And the machine had a surplus of cash from that day. This was wrongly thought to be Mr A's money and paid to him but had now been returned to the other customer.

Our investigator didn't recommend that the complaint be upheld. Santander had provided a journal entry showing that when Mr A used the machine notes had been returned. So, he didn't think that a mistake had been made in not crediting this money permanently. He understood Mr A's concerns about the money now going to the other customer. But our investigator said that Santander had established that the surplus in the machine occurred before Mr A tried to use it. And it said that an engineer had checked the machine to make sure no more notes had been captured.

Mr A didn't agree and wanted his complaint to be reviewed.

my provisional decision

I issued a provisional decision about this complaint on 6 January 2022. I set out below what I said.

Through our investigator I asked Santander to provide some more information about what happened. I wanted to see evidence that the machine balanced on the morning of 5 August 2020. And a record of the surplus it said was recorded on 4 August 2020 and which it seems was initially used to credit Mr A's account. I also wanted to see any statements or communication from the branch when this was investigated setting out what happened.

Santander said it didn't have any further information to provide. The branch was now closed, and it had no documentation to provide from staff. It said that the machine would be checked under standard practice by two members of staff. It said it didn't have any information to indicate that the two similar claims were connected.

I said I wouldn't be able to say *exactly* what happened and I was thinking about what is *most likely*. I would normally expect to see documentary evidence to show the machine had balanced and a record of whether any notes had been retained. And of the subsequent engineer's visit. It seems here that Santander's position is that staff initially made a mistake in thinking that a surplus in the machine was Mr A's money. So, on any view an error has

been made and this made me particularly concerned to see some evidence to support what is now being claimed as the correct explanation.

There are some points that aren't in dispute:

- Mr A was at the machine at around 23:45 on 4 August 2020. He tried to deposit money.
- A rejection message was recorded against the transaction saying that notes had been returned but this doesn't say how many.
- Mr A called at 23:50 to report what had happened.
- There had been a surplus in the machine of £1,210. The maximum deposit is £1,000 and so this meant that there was more than one error around this time.
- There were two disputed amounts of £980. Branch staff initially thought that £980 of the surplus was Mr A's money.
- There is no CCTV retained by Santander.

I could only look at the specific circumstances of Mr A's claim here: and not that of the other customer. It seems a coincidence that the two claims were similar but that's consistent with the machine being generally faulty or with things being suspicious. And it isn't in dispute that the machine malfunctioned which is something I thought would be difficult to arrange by Mr A. And he would reasonably think that if he hadn't lost money in the machine then no surplus notes would be found, and his claim quickly exposed as not a genuine one. The limited information I did know about the other claim was that it was made on the evening of 3 August 2020 and wasn't acted upon before Mr A's claim was dealt with. And again, this is something that couldn't have been anticipated by Mr A even if he somehow knew about the other claim.

I'd listened to recordings of the calls Mr A had with Santander that have been provided. In my view he's given a consistent account of what happened. I'd taken this into account alongside the clear errors that were happening for at least some transactions at the machine, the lack of any documentary evidence and that staff initially thought that this was his money. He's given a plausible explanation of how he came by this money. So, I found his testimony to be reliable taking everything into account. I thought it *most likely* that an error has been made here and so I said I intended to uphold this complaint.

I understood that the money has currently been 'withheld' from Mr A's savings account. It should be released to him. As this was from a savings account he should be paid interest at the rate on the account during the period if this hasn't already been happening. And he should be paid £150 for the inconvenience caused to him.

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.

Santander said it accepted my suggested resolution. Mr A didn't make any further comments.

That being the case I see no need to depart from my provisional conclusions based on my previous assessment and the reasons I've already given.

My final decision

My decision is that I uphold this complaint and I require Santander UK Plc to:

- 1) Release/ refund the funds of £980 to Mr A.
- 2) Pay interest on those funds at the rate applicable to his savings account if it hasn't already done so.
- 3) Pay Mr A £150 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 11 March 2022.

Michael Crewe
Ombudsman