

The complaint

E, a limited company, complains that Advanced Payment Solutions Limited trading as Cashplus won't refund a cash machine withdrawal from the account it didn't receive.

What happened

The director of E says he tried to take out £500 from a cash machine on 31 December 2020. The card was returned but no money was given and when he tried again his request was refused. He says he thought this was because he has a £500 daily limit. The owner of the machine said he should report this to Cashplus.

Cashplus said it wouldn't be refunding this money. It had made a chargeback to the owner of the cash machine. And it says it received evidence that the money was dispensed. It no longer has this.

Our investigator recommended that the complaint be upheld, and the money refunded with eight per cent simple interest per annum. She said we would expect to see evidence to support that the money was correctly dispensed and there were no errors.

Cashplus didn't agree. It said it had received a copy of the journal roll relating to this withdrawal and asked that we accept that this had been most likely. It was now unable to obtain any further information and there was no possibility of it raising a dispute and said that we might be able to.

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.

It was fairly Cashplus' responsibility to provide evidence to support this disputed transaction. And I note the time that has since elapsed and that it had raised the dispute by chargeback and not contacted the cashpoint owner directly. So, it says that this restricted the time within which it could ask for information and its ability to ask specific questions.

My understanding in any event is that Cashplus as part of a chargeback would have only received a journal roll. Typically, we'd also expect to see confirmation that the machine balanced, there was no rejected cash and that there were no technical errors.

I note that since this dispute E has raised another one about a withdrawal at the same cash machine in March 2021. I will be making a decision on that separately. But Cashplus has highlighted it has the extract of the journal roll for that one. And I can reasonably think about how likely it is that there were two such errors for E at the same machine. Against that I note that the director had been using this machine regularly for similar withdrawals from E's account and that E had significant credit balances.

I've balanced all these factors in making my decision. I'm not persuaded that Cashplus has established that this cash was correctly dispensed. And I accept the director's account on

behalf of E of what most likely happened. So, I will be requiring Cashplus to refund this money with simple interest.

My final decision

My decision is that I uphold this complaint and I require Advanced Payment Solutions Limited trading as Cashplus to:

- 1) Refund £500 together with any related fees applied to E.
- 2) Pay E simple interest of eight per cent per annum on the refunded amount from the date of withdrawal to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or reject my decision before 16 June 2022.

Michael Crewe
Ombudsman